



NATIONAL OPEN UNIVERSITY OF NIGERIA

SCHOOL OF LAW

COURSE CODE: LAW 436

COURSE TITLE: INDUSTRIAL PROPERTY II

INDUSTRIAL PROPERTY LAW

Course Developer/Writer

Prof. Justus A. Sokefun

National Open University of Nigeria

Victoria Island, Lagos.

Programme Leader

Dr. Ifidon Oyakhiromen

National Open University of Nigeria

Victoria Island, Lagos.

Course Coordinator

F. Anene, N. Nduka, E. O. Ugbejeh, S

Godwin- Clark, NOUN

National Open University of Nigeria

Headquarters,

14/161, Ahmadu Bello Way

Victoria Island

Lagos.

Abuja Office

No. 5, Dares Salam Street,

Off Aminu Kano Crescent

Wuse II, Abuja,

Nigeria.

e-mail: centralinfo@nou.edu.ng

URL: www.nou.edu.ng

TABLE OF CONTENTS

PAGE

Introduction.....

Course Aim.....

Course Objectives

Working through this course.....

Course Materials.....

Study Units.....

Text books and Reference.....

Assessment.....

Tutor Marked Assignment.....

Final Examination and Grading

Course Score Distribution

Course Overview/Presentation.....

How to get the most from this course.....

Tutors and Tutorials.....

Summary.....

COURSE GUIDE

INTRODUCTION

The Law of Industrial Property aims at protecting the rights in inventions. These works generally include patents and inventions among others. Being intangible rights, industrial property law therefore has a unique and peculiar nature. It protects what is referred to as chose in action.

In the main, Industrial Property Law aims at protecting the moral and economic rights of the inventor from being infringed by an unauthorized person. As a developing area of Law in Nigeria, reliance is placed on foreign (particularly English authorities) because of the dearth of Nigeria authorities.

In this material, there are topics, broken down into units which discuss Industrial Property Law in Nigeria. They, most importantly, touch upon the underlying values and features which concern the way in which industrial properties are protected in Nigeria.

COURSE AIM

The aim of this course is to familiarize the student with the subject matter which is dealt with herein and which the student is expected to know much about after going through the course material.

COURSE OBJECTIVES

The major objectives of this course, as designed are to enable the student;

- 1) Know the nature and purpose of Industrial Property law.
- 2) Know the historical perspective of Industrial Property law.
- 3) Know the rights of the owners of works.
- 4) Know the features of Industrial Property rights.
- 5) Understand Industrial Properties
- 6) Know the evolution of Industrial Property rights.
- 7) Know the requirements for the protection of an Industrial Property.
- 8) Know the works that are protected by Industrial Property law.
- 9) Know the subsistence of patents and
- 10) Know the nature of ownership under Industrial Property law
- 11) Know the duration of right in an Industrial Property.
- 12) Know the remedies available to the owners of Industrial Property rights.
- 13) Understand ownership rights and exploitation.
- 14) Know the rights of joint owners.
- 15) Understand the position of international conventions and national legislations on industrial property.

WORKING THROUGH THIS COURSE

To complete this course, you are advised to read the study units, recommended books and other materials provided by NOUN. Each unit contains Self Assessment Exercise, and at points in the course you are required to submit assignments for assessment purposes. At the end of the course there is a final examination. The course should take you about 18 weeks to complete. You will find all the components of the course listed below. You need to make out time for each unit in order to complete the course successfully and on time.

COURSE MATERIALS

The major components of the course are.

- a) Course guide.
- b) Study Units.
- c) Textbooks
- d) Assignment file
- e) Presentation schedule.

STUDY UNITS

We deal with this course in 18 study units divided into 4 modules as follows;

MODULE 1

Unit 1 – Law of Industrial Property

Unit 2 – Patent Law

Unit 3 – Patentability

Unit 4 – Ownership and Safety of Patent Law

Unit 5 – Infringement, Defences and Remedies of Patent Law

Unit 6 – International and National regulations of Patent law

MODULE 2

Unit 1 – Trade Mark

Unit 2 – Registration of Trade Mark

Unit 3 – Trade Mark Infringement and Defences

Unit 4 – Trade Mark and the Internet

MODULE 3

Unit 1 – Passing Off

Unit 2 – Elements of Passing Off

Unit 3 – Character Merchandising

Unit 4 - Defences and Remedies of Passing Off

MODULE 4

Unit 1 – Design Law

Unit 2 – Registered Design Rights

Unit 3 – Unregistered Design Rights

Unit 4 – Defences and Remedies of an Unregistered Design Right

All these Units are demanding. They also deal with basic principles and values, which merit your attention and thought. Tackle them in separate study periods. You may require several hours for each.

We suggest that the Modules be studied one after the other, since they are linked by a common theme. You will gain more if you have first carried out work on the scope of Industrial Property Law generally. You will then have a clearer picture into which to paint these topics. Subsequent courses are written on the assumption that you have completed these Units.

Each study unit consists of one week's work and includes specific objectives, directions for study, reading materials and Self Assessment Exercises (*SAE*). Together with Tutor Marked Assignments, these exercises will assist you in achieving the stated learning objectives of the individual units and of the course.

Textbooks and References

Certain books have been recommended in the course. You should read them where so directed before attempting the exercise.

Assessment

There are two aspects of the assessment of this course, the Tutor Marked Assignments and a written examination. In doing these assignments you are expected to apply knowledge acquired during the course. The assignments must be submitted to your tutor for formal assessment in accordance with the deadlines stated in the presentation schedule and the Assignment file. The work that you submit to your tutor for assessment will count for 30% of your total score.

Tutor Marked Assignments

There is a Tutor Marked Assignment at the end for every unit. You are required to attempt all the assignments. You will be assessed on all of them but the best three performances will be used for assessment. The assignments carry 10% each.

When you have completed each assignment, send it together with a (*Tutor Marked Assignment*) form, to your tutor. Make sure that each assignment reaches your tutor on or before the deadline. If for any reason you cannot complete your work on time, contact your tutor before the assignment is due to discuss the possibility of an extension.

Extensions will not be granted after the due date unless under exceptional circumstances.

Final Examination and Grading

The duration of the final examination for this course is three hours and will carry 70% of the total course grade. The examination will consist of questions, which reflect the kinds of self-assessment exercises and the tutor marked problems you have previously encountered. All aspects of the course will be assessed. You should use the time between completing the last unit, and taking the examination to revise the entire course. You may find it useful to review your self assessment exercises and tutor marked assignments before the examination.

Course Score Distribution

The following table lays out how the actual course marking is broken down.

Assessment	Marks
Assignments 1-4 (the best three of all the assignments submitted)	Four assignments. Best three marks of the four count at 30% of course marks.

Final examination	70% of overall course score
Total	100% of course score.

Course Overview and Presentation Schedule

Module 1	Title of Work	Weeks Activity	Assessment (End of Unit)
	Course Guide	1	
Unit 1	Law of Industrial Property	1	Assignment 1
Unit 2	Patent Law	1	Assignment 2
Unit 3	Patentability	1	Assignment 3
Unit 4	Ownership and Safety of Patent Law	1	Assignment 4
Unit 5	Infringement, Defences and Remedies of Patent Law	1	Assignment 5
Unit 6	International and National regulations of Patent law	1	Assignment 6
Module 2 Unit 1	Trade Mark	1	Assignment 7

Unit 2	Registration of Trade Mark	1	Assignment 8
Unit 3	Trade Mark Infringement and Defences	1	Assignment 9
Unit 4.	Trade Mark and the Internet	1	Assignment 10
Module 3 Unit 1	Passing Off	1	Assignment 11
Unit 2	Elements of Passing Off	1	Assignment 12
Unit3	Character Merchandising	1	Assignment 13
Unit 4	Defences and Remedies of Passing Off	1	Assignment 14
Module 4 Unit 1	Design Law	1	Assignment 15
Unit 2	Registered Design Rights	1	Assignment 16
Unit 3	Unregistered Design Rights	1	Assignment 17
Unit 4	Defences and Remedies of an Unregistered Design Right	1	Assignment 18

How to Get the Most from This Course

In distance learning, the study units replace the lecturer. The advantage is that you can read and work through the study materials at your pace, and at a time and place that suits you best. Think of it as reading the lecture instead of listening to a lecturer. Just as a lecturer might give you in-class exercise, you study units provide exercises for you to do at appropriate times.

Each of the study units follows the same format. The first item is an introduction to the subject matter of the unit and how a particular unit is integrated with other units and the course as a whole. Next is a set of learning objectives. These objectives let you know what you should be able to do by the time you have completed the unit. You should use these objectives to guide your study. When you have finished the unit, you should go back and check whether you have achieved the objectives. If you make a habit of doing this, you will significantly improve your chances of passing the course.

Self Assessment Exercises are interspersed throughout the units. Working through these tests will help you to achieve the objectives of the unit and prepare you for the assignments and the examination. You should do each Self Assessment Exercise as you come to it in the study unit. There will be examples given in the study units. Work through these when you have come to them.

Tutors and Tutorials

There are 15 hours of tutorials provide in support of this course. You will be notified of the dates, times and location of the tutorials, together with the name and phone number of your tutor, as soon as you are allocated a tutorial group.

Your tutor will mark and comment on your assignments. Keep a close watch on your progress and on any difficulties you might encounter. Your tutor may help and provide assistance to you during the course. You must send your Tutor Marked Assignments to

your tutor well before the due date. They will be marked by your tutor and returned to you as soon as possible.

Do not hesitate to contact your tutor by telephone or e-mail if you need help. Contact your tutor if;

- You do not understand any part of the study units or the assigned readings;
- You have difficulty with the self assessment exercises;
- You have a question or a problem with an assignment, with your tutor's comments on an assignment or with the grading of an assignment.

You should try your best to attend the tutorials. This is the only chance to have face to face contact with your tutor and ask questions which are answered instantly. You can raise any problem encountered in the course of your study. To gain the maximum benefit from course tutorials, prepare a question list before attending them. You will gain a lot from participating actively.

Summary

This course deals with 18 basic points typically relevant and found in Commonwealth Jurisdictions most of which gained independence from Britain, our colonial master. These topics, broken down into units generally are on intellectual property rights in Nigeria.

We wish you success with the course and hope that you will find it both interesting and useful.

TABLE OF CONTENTS

MODULE 1

Unit 1 – Law of Industrial Property

Unit 2 – Patent Law

Unit 3 – Patentability

Unit 4 – Ownership and Safety of Patent Law

Unit 5 – Infringement, Defences and Remedies of Patent Law

Unit 6 – International and National regulations of Patent law

MODULE 2

Unit 1 – Trade Mark

Unit 2 – Registration of Trade Mark

Unit 3 – Trade Mark Infringement and Defences

Unit 4 – Trade Mark and the Internet

MODULE 3

Unit 1 – Passing Off

Unit 2 – Elements of Passing Off

Unit 3 – Character Merchandising

Unit 4 - Defences and Remedies of Passing Off

MODULE 4

Unit 1 – Design Law

Unit 2 – Registered Design Rights

Unit 3 – Unregistered Design Rights

Unit 4 – Defences and Remedies of an Unregistered Design Right

MODULE ONE

Unit 1

Law of Industrial Property

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Definitions and Nature of Industrial Property Law
 - 3.2 Historical evolution of Industrial Property Law
 - 3.3 Types of Industrial Property Law
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Industrial property is an aspect of intellectual property, basically a protective right of an industrial property. It is important to note that it is also an invention like all aspects of industrial property. Note also that the major disparity between industrial and intellectual property is that copyright like all other industrial property right does not need filling.

Notably amongst the evolution is that it is a right that evolves like intellectual property rights that through the inventions of people but industrial property rights has limit to its life span unlike confidential information that has no life span for its protection.

The types of industrial property law like Patent, designs and trademark, there is also passing off and character merchandising in this area of law, which is industrial property in the law of intellectual property and protection of this set of laws is important.

2.0 OBJECTIVE

The main concern of this module particularly this unit is industrial property law where learners are however, expected to be able to distinguish between the areas of law that makes up the industrial property law like patent, trademark, designs just to mention a few, and that that makes of intellectual property in copyright law which stands as a distinguishing differences between the two.

The evolution of this right and also its protections cannot be overemphasized. They should also be able to explain extensively the types of industrial property law.

3.0 CONTENT

3.1 Definitions and Nature of Industrial Property law

Industrial Property is the term given to protective rights conferring an exclusive monopoly on exploitation and is obtained upon completion of filing and registration formalities.

Industrial property” is not rigidly defined, but only to the extent that it is a portion of the superordinate concept of intellectual property (intangible property) that excludes copyright. Industrial property takes a range of forms. These include patents to protect inventions, and industrial designs, which are aesthetic creations determining the appearance of industrial products. Industrial property also covers trademarks, service marks, layout-designs of integrated circuits, commercial names and designations, as well as geographical indications, and protection against unfair competition.

It is pertinent to note that they are patents for inventions intended to protect innovations of a technical nature, designs and models aimed at protecting inventions of an aesthetic nature, plant variety rights for protecting creations in the agricultural domain (e.g. new types of roses, new maize hybrids, etc.), and also trade-mark law, which reserves for the owner of the trade mark the designation under which goods and services are marketed.

There is no much difference between industrial property and intellectual property law the purpose of copyright law is to contribute to the development of culture that of industrial property law is to contribute to the development of industry. The main disparity between the two is that the former is a right that must be registered with a whole lot of formalities in that regard and has number of years for it to subsists in that regard while most of the intellectual property does not need registration like the trade secrets which will fall into public domain after the expiration of the registrable years.

The term “industry is used not only for the manufacturing industry, but for all kinds of businesses. Article 13 of the Paris Convention stipulates that “Industrial property shall be understood in the broadest sense and shall apply not only to industry and commerce proper, but likewise to agricultural and extractive industries and to all manufactured or natural products, for example, wines, grain, tobacco leaf, fruit, cattle, minerals, mineral waters, beer, flowers, and flour.” In that sense, it is not appropriate to interpret “industry” as (the manufacturing industry). They are also Intangible rights protecting the products of human intelligence and creation, such as copyrightable works, patented inventions, [Trademarks](#).

3.2 History and Evolution of Industrial property law

Intellectual property had long been disregarded by jurists since the time of the Roman Empire. However, the fact that monopoly produces profits has been known since ancient times, and the intellectual property concept of granting exclusive rights could be observed in more than a few cases. For instance, it is well known that a cook who created a special recipe was granted a one-year monopoly on the recipe in the ancient Greek city of Sybaris in around 600 B.C. In this way, there were countless cases in various times and places where a monopoly was granted by governmental authority and the person who gained the monopoly earned profits in return. However, these were merely monopolies that were arbitrarily granted by the government, and though they brought profits to those who gained the monopoly, they were not conceptualized as property rights in the same sense as

those for tangible goods. Thus, although profits were actually made, they did not have the backing of any detailed legal theories. Not all of such monopolies were equivalent to intellectual property, but without a doubt such grants of monopolies were the harbinger of the later patent system.

Comprehensive patent laws can be traced to seventeenth-century England, and they have been a part of U.S. law since the colonial period. England was the first country where the first major steps towards an industrial society were taken.

This history dates back to the history of patent which was the first to evolve under the industrial property law and aspect of intellectual property law, a law meant to protect the inventions of artists and inventors unlike copyright.

The law concerning marks took a different course of historical development from patent law. Since ancient times, craftsmen had affixed some kind of marks to their products. However, unlike the present trademark right that has exclusivity, they were attached for different purposes such as for the craftsmen to indicate their ownership of their products⁴ or as part of regulation by the authorities or guilds. It may be possible to view these older types of marks as showing traits of the present trademark system, but the present system became significant only with the age of mass production and mass sales, and these pre-modern marks and present trademarks are hardly related to each other from the perspective of law.

3.3 Types of Industrial Property Law

The law of industrial property is a uniquely part of intellectual property law and there are some types of this law and they are:

- a. Patent
- b. Designs
- c. Trademarks

Briefly we will explain these areas of industrial property law, importantly they will be discussed in details in other modules and units of this work.

a. Patent

A patent is a set of [exclusive rights](#) granted by a [state](#) (national government) to an inventor or their assignee for a [limited period of time](#) in exchange for a public disclosure of an [invention](#). The grant of patent effectively gives the inventor or more commonly his employers, a monopoly to work the invention to the exclusion of others for a period of time, not exceeding 20years.

And in the next unit and subsequent ones patent will be discussed extensively.

b. Designs

Design law is meant to protect the appearance of articles rather than the article themselves.

Notably the underlying idea behind it is that it involves two distinct elements: an article or product (which under the new law which need not be mass produced) and some added ingredient – a design feature which enhances the appearance of the article.

c. Trademark

This is a diverse aspect of industrial property law which encompasses several area like passing off and character merchandising.

It has been difficult to ascribe a definition to the word Trademark, as it evasive and has no precise meaning but the word mark and sign was defined in the act, while the dictionary offered a concise definition to the word. The heading will be discussed extensively in other modules of this work.

4.0 CONCLUSION

In conclusion industrial property law is an exceptional aspect of intellectual property law which its main function is to protect some inventions of people.

It is also very important to note that industrial property law is an arm of intellectual property law, which the discussion of the former will not be meaningful without the mention and explanations of the latter.

5.0 SUMMARY

This unit has discussed the industrial property law generally ranging from its definitions and the nature of the concept. Also the historical development of the industrial property

law was also discussed. Finally in this unit the types of the property law was briefly highlighted for the purpose of familiarization with the learners for a better understanding if they are discussed in details in other units and modules of this work.

6.0 TUTOR MARKED ASSIGNMENT

1. Briefly explain industrial property law.
2. Outline the types of industrial property law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).

Unit 2

Patent Law

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Definition and Nature of Patent Law
 - 3.2 Historical development of Patent Law
 - 3.3 Justification for Patent Rights
 - 3.4 Practical Consideration for Patent
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

The law of patent relates to new industrially applicable inventions. The law patent is all and mostly about the protection of inventions. It is however pertinent to note that it is of paramount importance for industrial property law.

Its history dates back to the seventeenth century and it protects the work of an inventor from being invaded upon. The grant of a patent effectively gives the inventor, or more commonly his employer, a monopoly to work the invention to the exclusion of others for a period of 20 years. Note that the invention might concern a new or an improved product.

It is important to note that the invention must be new and involve an inventive step, that is, it must be more than merely an obvious application of technology. Furthermore, the invention must be capable of industrial application and must not fall within certain stated exclusions.

2.0 OBJECTIVE

The purpose of this unit is for students of this subject to be able to describe extensively patent and laws relating to the protection of the aspect of industrial property law by giving the definition and the nature of patent.

It is also important to give an insight into the historical background of patent law, which is the fundamental of industrial property law. Pertinently, it is germane for students to describe the justification for patent rights. This is also very important for the protection of patent.

The practical steps an inventor or investor must take in the patent office, learners should be able to describe the steps extensively as outlined by the Patent Act of 1977 (UK) and the

Patent and Design Act of 1990 in registering a patent, and these steps in order of preference should also be outlined.

3.0 Contents

3.1 Definitions and Nature of Patent Law

A patent is a set of exclusive rights granted by a state (national government) to an inventor or their assignee for a limited period of time in exchange for a public disclosure of an invention. The grant of patent effectively gives the inventor or more commonly his employers, a monopoly to work the invention to the exclusion of others for a period of time, not exceeding 20years.

Note that the invention must concern new or improved products. Due to the strength of this form of property right, high standards are required, the invention must be new and it must involve an inventive step that is it must be more than merely an obvious application of technology. Furthermore the invention must be capable of industrial application and must not fall within certain exclusions. Note generally that patent law uses property rights to stimulate private investment in new and useful and non obvious technologies.

The term patent usually refers to a right granted to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof. The additional qualification utility patent is used in the United States to distinguish it from other types of patents (e.g. design patents) but

should not be confused with utility models granted by other countries. Examples of particular species of patents for inventions include biological patents, business method patents, chemical patents and software patents.

3.2 Historical Development of Patent Law

It is pertinent to note that England has a prime place in world history and has actually set the mould for patent rights internationally. It is without doubt that patent has an important role to play in the industrial revolution. The origin of patent can be seen emerging in late mediaeval times. *Letters patent* were open letters with the Kings Great Seal on the bottoms granting rights, often to foreign weavers and craftsmen allowing them to practice their trade and overcoming guild regulations which suppressed competition.

And the first of such letters patent were granted in 1311 to John Kempe, a Flemish weaver who wanted to practice his trade in England one of the earliest recorded instances of a patent.

Patents have existed for many years and were by no means exclusive to England. Patents in the modern sense originated in 1474, when the [Republic of Venice](#) enacted a decree that new and inventive devices, once put into practice, had to be communicated to the Republic to obtain the right to prevent others from using them. This actually influenced the Tudor monarch who saw the system of monopolies as a way of raising revenue.

There was criticism of the over use of patent by Queen Elizabeth 1 which led to a lot of legal battle (Darcy v. Allin) case of monopolies (1602)11 Co Rep 84b, a case which involved a monopoly for the making, importation and selling of playing cards. The patent was held invalid as being inter alia a common law monopoly.

Conversely, where the monopolies resulted in the acquisition of new technology, the courts were prepared to uphold the grant as valid see (Clothworkers of Ipswich) case (1615) (Godbolt 252). These two cases led to the enactment of the statute of monopolies 1623 by the parliament who were dissatisfied and regard monopolies as bad.

However, section 6 of the statute gave recognition to patents as an exception to the general rule against monopoly.

Initially there was no written requirement for the description of invention to be provided by the applicant, but this gradually became common practice.

Like many areas commercial law, the law of patent was primarily shaped by the nineteenth century events. Legislation was concerned exclusively with procedural improvements to the patent system thereby responding to the effect of industrial revolution.

Until the early part of the twentieth century, patent application were not searched for novelty, it was basically a deposit system, with applications simply being checked for satisfactory completion.

The Act that governs patent law is the 1977 Patent Act, since the coming into effect of this Act the letters patent are no longer issued instead a certificate from the Comptroller - General of Patents, Designs and Trade Marks is provided. And the maximum time was extended to 20years.

However, the patent law is governed in Nigeria by the Patent and Designs Act Cap 344 LFN 1990 and the duration for a patent in Nigeria is also for 20years which is governed by section 7 of PDA 1990, so a patent expires at the end of its 20years. The Act in Nigeria follows suit that of England of 1977.

3.2 Justification for Patent Rights

Naturally an inventor owns a property right in his invention. And what the patent system does is to guarantee a limited term of protection in return for the inventor's agreement to disclose details of his invention and ultimately to abandon his property right in it.

Note generally that the conventional justification for a patent system is that the inventors and investors are rewarded for their time, work and risk of capital by the grant of a limited though strong monopoly. Eventually, depending on how long the patent is renewed, any one will be free to put the invention to use.

In the words of Jeremy Bentham who argued that because an invention is a great deal of time, money and effort also included a large risk. Therefore the proprietor of a patent is

likely to use this economic privilege to his advantage and the resulting product will be priced accordingly, subject to market forces.

Note that the issuance of patent is not against public interest it is indeed in public interest that patent monopolies are enforced. See *Chiron Corporation v. Organon Teknica Ltd* (No 10) (1995) FSR 325 @333.

It is imperative to note that, a patent therefore is not necessarily a licence to print money, and a great deal of market research and economic judgment is essential before embarking upon the development of inventions, note also that most inventions are granted to corporate organizations and more so the days of eccentric inventors are by no means gone and simple and easily developed inventions are still a possibility, such as the Biro ball point pen or reflecting road studs ('cats eyes').

The presence of a strong and effective patent system may bring numerous benefits such as the dissemination of information and providing an incentive to invest in the development of new products and processes which will eventually fall into the public domain.

Note generally that obtaining a patent is expensive and takes a long time. It could be agreed that the system favours large wealthy corporation which have the deep pockets required to acquire patent and defend them on a global scale.

3.4 Practical Consideration for Patent

This is an essential area of obtaining a patent for an invention by an inventor or an investor whichever comes first. These are the practical consideration that must be fulfilled be a patent can be granted.

1. Filing Date

This is the date when the application is received by the patent office and the application must indicate the full names and address (s3 (1) (a) (i)) of the Patent and Design Act 1990 and s14 of the Patent and Design Act 1977. Then in addition file one or more claims and then pay the prescribed fee and also request a search and pay the search fees.

Note that filing date is essential in patent because it will be used to determine the duration of the patent. That is the 20years maximum period available starts to run from the filling date.

2. Specification

This is an essential part of the requirement for filing. The specification must contain a description of the invention, one or more claims together with any drawings required to illustrate the inventions. S3 (1) (a) (ii) of the PDA 1990.

The specification should also be sufficiently detailed so that a person skilled in the art can work the invention that is put it into effect. See Van der Lely NV v. Bamfords Ltd, (1963) RPC 61.

3. Claims

The application will include a statement of the claims defining the invention for which protection is required. The purpose of the claim is to define the limit of the monopoly and therefore they must be very carefully drawn up.

In *Electric & Musical Industries Ltd v. Lissen Ltd* (1939) 56 RPC 23 and *Glaverbel SA v. British Coal Corp* (1995) RPC 255, the function of the claims is to define clearly and with precision the monopoly claimed so that others may know the exact boundaries of the area in which, if they venture therein, they will be trespassing.

4. Abstract

This is simply a concise summary of the matter contained in the specification, normally not exceeding 150 words. It must also indicate the technical field to which the invention belongs and should be clear about the technical problem and give some idea of the solution to that problem and the principal use (s) of the invention.

4.0 CONCLUSION

Patent is the protection that is available to an inventor after his money, time and skill have been used in the course of the work concerned. A patent therefore is not necessarily a license to print money, and a great deal of market research and economic judgment is essential before embarking upon the development of inventions.

Patent is a way of acquiring monopoly right, that encourages research and invention, it also induces an inventor to disclose his invention, also offers a reward for the expenses of

developing inventions and finally provides inducement to invest capital in new line of production.

5.0 SUMMARY

The word patent has been defined in this unit and its nature was not left out of the explanation of the concept. The history of the patent was also well expatiated. And the justification of the patent rights was also not left out of this discuss and the practical consideration of getting a patent was also discussed in this work, particularly this unit.

6.0 TUTOR MARKED ASSIGNMENT

1. Summaries the historical development of patent.
2. Explain in outline the procedure of granting patent.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977

Unit 3

Patentability

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Novelty
 - 3.2 Inventive steps
 - 3.3 Industrial Application
 - 3.4 Exclusion from Patentability
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

There are certain criteria's to be fulfilled before an invention is said to be patentable. That is it can be pass for protection under the law, or where there is an action for infringement.

There are four main basic requirements for patentability that is Novelty, inventive step, industrial application and exclusion from patentability. It is however pertinent to note that

all four requirements must be fulfilled in an action for patent or before granting a patent protection for an invention. The first three are positive and the last which is excluded from subject matter.

It is important to explain the requirement of inventive step and that of an invention being capable of industrial application and lastly the criteria of exclusion from patentability.

2.0 OBJECTIVE

The main objective of this unit is for learners to be able to discuss the word invention which is the main criteria in a patent right and also the requirement for patentability, that is from novelty to inventive step also industrial application and finally to exclusions from patentability.

3.0 CONTENT

Generally, the word invention will be discussed in this unit before moving to the criteria of patentability. We will first and foremost define the word invention.

The word invention has not been offered a major definition by the Patent Act 1977; and also the Patent and Design Act Cap 344 LFN 1990. However a dictionary meaning has been ascribed to the word. Advance learners dictionary has defined invention as “an imaginative design, or product or innovation or something produced for the first time.”

Sec I of PDA, 1990 describes the kind of an invention that will be patentable.

Schmookler J, (1986) *Invention and Economic Growth*, Harvard University Press

subdivided invention into two Main categories that is process invention and product invention.

Process inventions are new ways of producing something old and product inventions are old ways of producing something new. Note that invention is a term of art in patent law and is used in a special way which may vary according to the particular context.

In *Chiron Corp v. Organon Teknika Ltd* (No 12) 1996 FSR 153, where it was said that an invention is simply the outcome of satisfying the patentability criteria.

3.1 Novelty

Generally for a novelty to exist in an invention then the invention must be new and whether the invention is new has been ascribed a special meaning under the Patent Act 1977 sec 2(1) and PDA 1990 sec 1(2) (a) which state that an invention is new, if it does not form part of the state of the art. And sec 2(2) and sec1(3) respectively describe the state of the art as means everything concerning that art or field of knowledge which has been made available to the public before the priority date of the invention either by written or oral description anywhere and at any time whatever by use or in any other way.

The meaning of “the public” in this sec 2 was further explained by Aldous J, in *PLG Research Ltd v. Ardon* (1993) FSR 197, to form part of the state of the art, the information given must have been made available to at least one member of the public who was free in law and equity to use it. Hence in *Union Carbide/Atmospheric Vaporiser* (1991)EPOR 373,

novelty was not destroyed where an invention located on private property was viewed through a fence.

However, in a claim for patent there are two main issues to be viewed that will be viewed critically that is; Prior Art and Anticipation.

1. Prior Art

In *Merrell Dow v. Norton* (1996) RPC 76 (Per Hoffmann J, in consequence what amounts to the prior art requires an understanding of how information can be made available. Information can be obtained through documents and goods supplied. In *Synthon v. Smithkline Beecham (No 2)* (2003) RPC 769@ para.49, where Aldous J, is of the view that

.....“the antecedent statement must be that a person of ordinary knowledge of the subject would at once perceive, understand and be able practically to apply the discovery without the necessity for making further experiments and gaining information before the information can be made useful. If something remains to be ascertained which is necessary for the useful application of the discovery that affords sufficient room for another valid patent.

It is important to note that prior use of a later claimed invention may be by the patentee, as in *Gore v. Kimal* (1988) RPC 137, where samples of PTFE tapes were supplied to customers before the filling date of the patent.

Note that if a device is demonstrated in the public, if this contains enough information to carry out the later invention then novelty will have been destroyed, not if those present were not able to observe how the device worked. See *Quantel v. Spaceward Microsystems* (1990) RPC 83.

2. Anticipation

Anticipation is a technical term which means the prior art matches exactly the subject matter (i.e the claim) of the later patent so as to render it not new.

If published material does not adequately describe what is claimed there can be no loss of novelty. It is also important that a prior publication which deals with a different problem to the one dealt with in the patent application could still amount to anticipation. See *Molins v. Industrial Machinery Co. Ltd*, (1938) 55 RPC 31 this is a case law under the old UK law.

It is imperative to note that having a similar use of prior art will not necessarily anticipate a patent, especially if the purpose is somewhat different. In *Haberman v. Jackel International Ltd*, (1999) FSR 683, prior art consisting of two patents for feeding bottles did not anticipate a patent for a training cup.

The test of enabling disclosure is very precise, so that if the earlier information does not contain every single integer of the claim, then the invention is new.

3.2 Inventive Step

This is a major feature that forms part of the requirement of patentability, it is important that the invention must be obvious before it can pass for patentability. Generally an

invention must involve an inventive step, sec 3 of Patent Act, states that sec 3 applies when the invention is not obvious to a person skilled in the art having regard to all matter forming part of the state of the art, but not including matter from patent applications with earlier priority dates which is published later than the priority date of the invention.

In *General Tire & Rubber Co. v. Firestone Tyre & Rubber Co Ltd* (1972) RPC 457 where it was held that the word obvious does not require more than its dictionary meaning of very plain.

The word person skilled in the art is simply someone with a wide knowledge within which the invention lies. In *Intalite International NV v. Cellular Ceilings Ltd (No 2)* (1987) RPC 537, conversely if the invention is not obvious to skilled and inventive persons, it must involve an inventive step.

Oliver J, postulated a test for obviousness in *Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd*, (1985) RPC 59 being:

1. Identify the inventive concept in the patent in suit
2. The court then assumes the mantle of the normally skilled but unimaginative address in the art at the priority date, imputing to him what was at that priority date, common general knowledge in the art in question
3. Identify what, if any, differences exist between the matter cited as being 'known and used' and the alleged invention;

4. The court then asks itself the question whether, viewed without any knowledge of the alleged invention, those differences constitute steps which would have been obvious to the skilled man or whether they require any degree of invention.

In *Glaxo Group Ltd's Patent* (2004) RPC 843 where Pumfrey J, noted that the skilled person does not represent some sort of lowest common denominator of persons actually engaged in the field, possessed by the knowledge and prejudice of all of them can be said to possess. It is also important to note that invention may lie in the idea of taking a step from the prior art but argue that an invention is not obvious unless there is some motivation to take that step is not necessarily relevant.

Note that it is imperative that the notional skilled worker does not have inventive ability, but he does have knowledge common to the particular art. In *Beloit Technology Inc. v. Valmet Paper Machinery Inc.* (1997) RPC 489, where Aldous LJ, accepted that the notional skilled man may not have the advantage of the facilities available in some large corporations with extensive library facilities and patent department.

In *Pfizer Ltd's Patent* (2001) FSR 201, Laddie J, discussed the nature of the skilled but non inventive man in the art which suggests the notional skilled worker has more extensive knowledge of the prior art. He also pointed out that whilst the real worker might miss some of the prior art, the notional skilled man never does.

There are two main knowledge's when it comes to a skilled person that is: public knowledge that is knowledge that is known by some, perhaps a few only. Also common general knowledge.

It is imperative to note that there is a process known as mosaicing, it is a process used to attack the validity of a patent by showing whether it is obvious. It is a process that consists of piecing together several unrelated bits of information in different documents which, when combined are capable of showing obviousness.

In *Technology Printed Circuits Ltd v. Mills & Rockley (Electronics) Ltd* (1972) RPC 346 @355, when dealing with obviousness, unlike novelty, it is permissible to make a 'mosaic' out of the relevant documents, but it must be mosaic which can be put together by an unimaginable man with no inventive capacity.

When obviousness has to be determined retrospectively, commercial success and long felt want can be used as good evidence of non obviousness and would stand as secondary issues in this regard. Therefore commercial success as an indicator of obviousness must be treated cautiously.

The correlation that the proprietor hopes will be confirmed by commercial success is that the invention cannot have been obvious because it clearly satisfies a demand and that demand would have been long since been satisfied had the invention is obvious.

In *Molnlycke AB v. Procter & Gamble Ltd (No 3)* (1990) RPC 498 where Mummery J, said that whether an invention was obvious was something which must be considered technically or practically rather than commercially.

It is important to state here that courts should be wary of being seduced by evidence that the invention has been very successful but it can be useful if it is accompanied by evidence of a long felt want.

3.3 Industrial Application

The last positive requirement of patentability is industrial application, which means that the invention is capable of industrial application. It is a requirement that demonstrates the practical nature of patent law.

It is important to note that the invention has to be something that can be worked industrially and to some extent distinguishes patent from other type of intellectual property. Sec 4 (1) of the Patent Act 1977, and sec 1(2) (c) PDA, 1990 that an invention is capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture.

In *C's application* (1920) 37 RPC 247, here an application in respect of an invention comprising a musical notation, in which sharps and flats were printed in different colours and sizes compared to natural notes was refused.

However, in *Chiron Corp v. Murex Diagnostics Ltd*, (1996) RPC 535, here a range of polypeptide encoded by a genome of Hepatitis C virus was claimed, it was held that it was capable of industrial application.

Finally note that industrial application can be equated with technical effect.

3.4 Exclusions from Patentability

This is the last and negative requirement of patentability. There are certain areas of life that are excluded from industrial application. It is important to note that the treatment by surgery or therapy, or diagnosis in relation to human and animal bodies is excluded because this is not considered to be capable of industrial application.

Sec 1(4) PDA 1990 and sec 4(2) and (3) of PA 1977 also contain a range of things that are excluded from patentability and these exclusions can be justified on lack of technical effects.

The list of excluded things are not exhaustive does not mean that a whole range of other things can be excluded by adding copiously to the list. See *Chiron Corp v. Murex Diagnostics Ltd*, (Supra).

A computer program is also one of the items excluded from the list.

4.0 CONCLUSION

In conclusion it is important to note that requirement for the grant or the claims of a patent must be satisfied by all means both positive and the negative. That is the invention must

novel in nature and must pass through the inventive step and must be industrially applicable and must not fall within the exclusive list.

5.0 SUMMARY

This unit has discussed the requirement of patentability from the novelty of an invention to inventive step and also to the industrially applicable aspect of the requirement. It is important to note that learners of this work should be able to explain all the items excluded from the list of patentability. It is also imperative to compare and contrast the Patent Act 1977 of the UK and the Patent and Design Act 1990 in Nigeria.

6.0 TUTOR MARKED ASSIGNMENT

1. List and explain the criteria for patentability
2. What is meant by the requirement of inventive step, and apply the test established in case law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 4

Ownership and Safety of Patent Law

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Ownership of Inventions
 - 3.2 Employee Inventions
 - 3.3 Dealing in Patents
 - 3.4 Safety and Security of Inventions
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Ownership of patent might be an issue in an industrial property law transaction and this may result in dispute and it is important to ascertain who the owner of an invention is. The PDA, 1990 and the Patent Act of 1977 contains numerous provisions setting out the basic

rules on entitlement and procedures for determining who is entitled to a patent in a particular case.

As the case with intellectual property rights, patents can be dealt with in a number of ways like license, assignment or by way of mortgage. It is also important to note that certain transactions have to be registered; otherwise there may be problems with obtaining damages in infringement actions.

There are also provisions relating to safety and security which may result in restrictions or prohibitions on the publication of information or its communication to any specified person.

2.0 OBJECTIVE

The main objective of this unit is to ascertain the ownership of a patent and more so who is an inventor aside a proprietor. It is important that learners of this unit should be able to explain the dealings in patent from assignment to license and also mortgage and finally to be able to explain safety and security of an invention.

3.0 CONTENT

Generally the idea behind invention is always the efforts and inventive steps of certain set of people, these set of people are called the inventors, but it is important to note that it is not all the inventors of an idea that are the owners of a patent the owners are generally

referred to the proprietor of the invention, so this bring us to the main discussion of this unit.

3.1 Ownership of Patent

In determining the ownership of a patent then a distinction has to be made between the owner that is the proprietor and inventor of a patent. This brings us to the definition of an inventor which is been defined by s7 (3) PA, 1977 as the actual devisor of an invention.

There may be joint inventors of a work, but to determine who are the inventors then the first step is to identify the inventive concept.

The proprietor is the person to whom the patent is granted and who therefore has the right to work the patent. It is imperative to note that if the inventor is not the proprietor then he has a right to be mentioned as being the inventor in any patent granted and in any published work. Note that the inventor may however, waive his right to be identified or have his address suppressed.

Proprietorship

A proprietor is the owner of the work and not the inventor, note that the inventor can also be the owner of the work. Primarily, patent will be granted to the inventor or joint inventors, except where someone else has a better entitlement to it through an enactment. To facilitate patent applications there is a rebuttable presumption that the person making the application is entitled to the grant of the patent, note that anyone challenging entitlement has the burden of proof.

Where there are two or more proprietors of a patent, their ownership is equivalent to ownership as tenants in common, that is they are each entitled to an undivided share in the patent. Sec 36(1) PA 1977. And if one of them dies his share passes under his will or by intestacy and does not automatically pass to the remaining owners.

In the joint ownership of a patent each may 'by himself or his agent' do for his own benefit without the consent of the other or others any act which would otherwise infringe the patent, and this is subject to any agreement to the contrary. See *Henry Brothers (Margherafelt) Ltd v. Ministry of Defence and Northern Ireland Office* (1997) RPC 693.

3.2 Employee Inventions

The PDA 1990 and PA 1977 deals with the employee invention in details. S130 (1) PA defines an employee as being a person who works or worked under a contract of employment or in employment under or for the purposes of a government department or a person who serves or who has served in the naval, military or air forces of the crown. The PDA did not define the term.

By s 39 PA and s2 (4) PDA an employee invention belongs to the employer in the following circumstances: the invention was made in the course of the employee's normal duties as an employee or in the course of duties specially assigned to the employee.

However, in other circumstances aside during the course of employment then the invention belongs to the employee. Note where an employee makes a document or drawing for his

employer in the cause of employment, where this represents a preliminary, though perhaps not essential, step to an invention made later to which the employee is entitled.

It is important to note it would not normally apply where a clerical worker working for a manufacturing company devised an invention which improved his employer's assembly line and which had nothing to do with the employee's normal duties and in respect of which he had not been assigned any relevant specific duties.

In *Electrolux v. Hudson* (1977) FSR 312, where Falconer J, declared that a storekeeper who made improvements to a vacuum cleaner was beneficially entitled to the patent, it was not the employee's job to invent and the clause in his contract requiring him to hand over all inventions was unenforceable.

Note that compensation can be awarded where the invention is for the employee during his cause of duties.

3.3 Dealing in Patents

Patent are classified as personal property and can be dealt with the same way as other forms of personal property. It may be dealt with by way of assignment, licensing either exclusive (an exclusive is one conferring, to the exclusion of all others including the proprietor or applicant any right in respect of the invention to which the patent or the applicant relates.) or non-exclusive, it may also be mortgaged or vest by operation of law like in other form intellectual property. Note that a patent can be subject of compulsory

licensing. Patent application may also be dealt with this is due to the length of time before a patent is granted.

Where there are two or more proprietors of a patent or application for a patent the consent of all of them is required for a license, assignment or mortgage. Note that the assignment, licensing or mortgage of patent must be written and signed by or on behalf of the assignor or mortgagor.

It is however important to register transactions on patent such that, first the result is that registration of acquisition of property in a patent or an application defeats earlier transactions, instruments or events that have not been registered, and secondly the subsequent proprietor of the patent or an exclusive licensee may be unable to obtain damages or an account of profits for any infringement of the patent.

Licenses as of Right

The proprietor may at any time after the grant of the Patent, apply to the comptroller to indicate that licenses as of right are available in respect of the patent. Notice must be given by the comptroller to any person registered as having a right in or under the patent and shall make the entry provided he is satisfied that the proprietor is not precluded by contract from granting licenses. S46 PA, 1977 and s 10 PDA, 1990.

Imperatively, if any person desires to take up the offer, the license terms shall be as agreed between the parties or falling agreement, upon such terms as may be settled by the comptroller on the application of either party.

Note that entry that license are available as of right may be cancelled by application of the proprietor.

Compulsory License

Compulsory licenses are licenses under which others may work the invention against the wishes of the proprietor of the patent. S11PDA, 1990

It has always been argued that there is a danger that the proprietor of a patent will abuse the monopoly granted to him. For example, an inventor Damina, develops a non starchy garri and obtains a patent for it, Brigdeson Garri Ltd, a manufacturer of starchy garri offers a large sum of money to Damina for an assignment of the patent, to which he agrees.

Bridgeson then suppresses the invention and does not put it to use preferring to continue making starchy garri.

Compulsory licenses not only cover situations where a patent is not being worked, but also are available in other circumstances such as where demand for a product is not being met on reasonable terms. Compulsory licenses cannot be granted until after three years from the last date of the grant of the patent, after which any person may apply for a license

under the patent and for an entry to be made on the register to the effect that licenses are available as of rights.

It is also important to note that if the comptroller has to settle the terms for a license as of right or a compulsory license he should do so with the view to securing, inter alia, that the proprietor of the patent receives a reasonable remuneration having regard to the nature of the invention and this would be done by considering what a willing licensor and licensee would have agreed upon as a reasonable royalty to be paid for the rights granted under the license as of right. See *Allen & Hanburys Ltd's (Salbutamol) Patent (1987) RPC 327*.

3.4 Safety and Security of Patent

It is of paramount importance to note that where an application for a patent is filed and it appears to the comptroller that it contains information of a description notified to him by the Secretary of State or state security agency as being information of which might be prejudicial to national security, the comptroller may give directions prohibiting or restricting the publication of that information or its communication to any specified or group of persons.

4.0 CONCLUSION

It is however of particular importance to stress that ownership of patent is essential in registration of the invention and also to be able to categorically distinguish between the inventor and the proprietor if they are not the same person.

Note also that dealing in patent is similar to dealing with copyright as it is passed through license, assignment and mortgage, one distinguishing difference is the compulsory license that is peculiar to patent.

Finally, the issue of state security and safety cannot be overemphasied in granting patent, in so much that any invention that will disturb the safety and security of the nation can be rejected.

5.0 SUMMARY

In summary this unit has been able to discuss the issue of ownership of patent that is the inventor and the proprietor of an invention. Then the role of an employee in the cause of employment in invention cannot be ignored as they are important to invention in the cause of their employment.

The dealing of the patent from license of right to compulsory license, then assignment and mortgage cannot be overemphasied and learners should be able to discuss this issue extensively. The role of the state should be discussed with particular reference to the fact that the state can compensate an inventor, if his invention is denied registration for state safety.

6.0 TUTOR MARKED ASSIGNMENT

1. Distinguish with the aid of statute and case laws ownership of a patent and the inventor

2. Compulsory license is a peculiar aspect of patent. Discuss?.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 5

Infringement, Defences and Remedies of Patent Law

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Patent Infringements
 - 3.2 Categories of Infringing Act
 - 3.3 Defences to Patent Infringement
 - 3.4 Remedies to Patent Infringement
 - 3.5 Revocation of Patent
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Patent infringement is not measured in terms of whether a substantial part has been taken, but there are difficulties where the invention has not been taken in its entirety by an alleged infringer, or where some feature of the invention has been changed.

It is imperative to note that the scope of the infringing acts and the stated exceptions to infringement strive to achieve a balance between the interests of the proprietor and those of others including competitors.

Patent actions often involve challenges to the validity of the patent concerned and proprietors (or exclusive licensees) must be prepared to defend their patent.

Note however that there are also some criminal penalties associated with patents.

2.0 OBJECTIVE

The main objective of this unit is to discuss the infringement of patent, the defences to an alleged infringer and also the remedies available to a proprietor in that regard.

However, it is important to note that the comptroller can revoke the patent for acts detrimental to the public and the state.

3.0 CONTENT

Infringement, defences and remedies will be extensively discussed in this unit and the issue of choice of court cannot be left out of our discussion. It is also pertinent to note that these issues are important to the industrial property law topic of patent.

The choice of court for industrial property as well as intellectual property issues cannot be overemphasized, in Nigeria the courts that are court of first instance for industrial and intellectual property issues are the Federal High Court of Nigeria having its division in every state of the federation.

In England, they are designated courts for industrial property issues particularly as it relates to patent, they are patent courts which are court of first instance.

3.1 Patent Infringement

An infringement has been defined by s60 PA, 1977 as the doing of any of the following things in the UK in relation to the invention without the proprietors consent.

- a. Product Invention
- b. Process Invention
- c. Process Invention
- d. All Inventions

While s25 PDA, 1990 also defines it as the rights of a patent owner are infringed if another person, without the licensee of the patentee owner, does or causes the doing of any act which that other person is precluded from doing under section 6 of this Act, as the case may be.

It is important that when proving infringement, the burden of proof lies with the claimant and it is the claims in the specification that are important rather than the products actually made by the claimant.

In a product invention the claims must be compared to the defendant's product. See *Buchanan v. Alba Diagnostics Ltd* (2001) RPC 851. Also in *Pioneer Electronics Capital Inc v. Warner Manufacturing Europe GmbH* (1995) RPC 487, the claimant has a patent for a process for making optical discs. There were some intermediate steps, including making stampers from which the discs could be mass-produced. It was held that the defendant had not infringed the patent because none of his discs was a direct product of the patented process and that a causal link, however important was not sufficient.

Note that where the invention is a process, it may be infringed by the use of another process which occasionally extends into the parameters covered by the patent. See *Hoechst Celanese Corp v. BP Chemicals Ltd* (1998) FSR 586.

However, in the infringement of supplying the means, this could occur where one person supplies another with a kit of parts of the latter to assemble. Note that this infringement does not apply to the supply or offer to supply.

Declaration of non-infringement

An application is made by an applicant to the court or the comptroller of patent for a declaration of non infringement, in the absence of any allegation of infringement made by the proprietor if the applicant has made a request in writing asking for a written acknowledgement for such declaration and has furnished full particulars in writing.

Niche Generic Ltd v. Lundbeck A/S (2004) FSR 392,

The court has a general jurisdiction to grant declaration of non infringement, as well as application for revocation.

In the United States, it is usual practice to use documentation in the US Patent and Trademark office file as an aid to construing the claims of a patent. Note that the proprietor will be estopped from denying any statement and concession made therein and it is known as 'file wrapper'.

Evidence

In declaration of non-infringement the claimant carries the burden of proof. Note however, that he adduces the evidence and convince the court, on a balance of probabilities, that the defendant has infringed his patent.

Previously, fresh evidence would be admitted only if special grounds existed as stated by Denning LJ in Ladd v. Marshall and note that they are no longer a binding precedent.

It is important to note that it is very common to call experts to give evidence in patent cases, like in the issue of obviousness. And imperatively, there is a danger of repetitious evidence and calling too many experts witnesses who essentially say the same thing, note however, that the court does not decide a case by counting how many experts each party can get to say the same thing.

Title to Sue for Infringement

The proprietor or exclusive licensee has title to sue for infringement of a patent. Note that if a party to proceedings is found not to have title to sue he will be struck from the action, in *Bondax Carpets Ltd v. Advance Carpets Tiles* (1993) FSR 162, here the third claimant was struck out from the action. His contract with the second claimant had nothing to do with the rights under the patent.

It is also imperative to note that one or more joint proprietor of a patent may bring an action for infringement without the concurrence of the others, but must be made parties to the proceedings.

3.2 Categories of Infringing Act

There are two categories that relates to infringement of patent and they will be outlined and briefly discussed here. And they are direct and indirect infringement.

a. Direct infringement

The following are acts that constitute direct infringement of patent and sec 60 of PA, 1977:

- It requires that the infringing conduct be done without the patentee's consent and within the UK (*Menashe Business Mercantile Ltd v. Williams Hill Organisation Ltd* (2003) RPC 575).
- And that it requires the infringing act be done while the patent is in force.
- It relates to process patents, knowledge is required, but only as regards the offering for use of the process, not using the process.

b. Indirect Infringement

It is important to note that conducts which amounts to infringement must be related to the patent and this is well spelt out in s60 (2) and they include but not limited to it:

- The conduct in question involves supplying or offering to supply something tangible.
- That something is an essential element of the invention.
- The result of the infringing act makes the invention work.

3.3 Defences to Infringement of Patent

A person sued for an alleged infringement of a patent has several and varied escapes routes. There are several defences available to a person who is been referred to as the infringer in a patent suit. It is imperative to note that there is also a defence available to a person who has worked the invention before its priority date, or made effective and serious preparation to do so.

The person might challenge the validity of the patent, claiming that it should be revoked because it has been anticipated or that it is obvious, or more rarely, that the invention is excluded matter as much as it lacks industrial application or its invalid for lack of sufficiency. The defendant could also claim that the patent has lapsed or expired or may challenge the claimants title to it or his right to sue.

Note that they are other defences to an infringement action:

- The act was done privately and for purposes which are not commercial
- The act was done for experimental purposes relating to the subject matter or the invention. See *Auchincloss v. Agriculture & Veterinary Supplies Ltd* (1997) RPC 649.
- The act was done in good faith by the defendant before the priority date of the invention.
- The act complained of is not an infringing act; it does not fall within the meaning of infringement.
- The alleged infringing products or process lacks novelty or is obvious. See *Gillette Safety Razor Co. v. Anglo-American Trading Co. Ltd* (1913) 30 RPC 456
- The defendant has a right to repair, sometimes referred to as an implied license. The existence and scope of the right to repair defence was questioned in *United Wire Ltd v. Screen Repair Services (Scotland) Ltd* (2001) RPC 439. Where this case made a distinguishing difference between repair and manufacture.
- The doctrine of estoppel and laches may apply.

3.4 Remedies to a patent infringement

It is imperative to note that the remedies available for infringement of a patent are an injunction, damages, an account of profits, an order for delivery up or destruction and a declaration that the patent is valid and has been infringed by the defendant. In this instance that is in patent remedies has been limited to damages and/or a declaration.

In patent, the purpose of an account of profit is not to punish the defendant but to prevent his unjust enrichment. An account is limited to the profits actually made and attributable to the infringement and the claimant must take the defendant's business as it is. Accounts are rarely asked for in patent cases because of the complexity in quantifying them though, in principle they are available during the period between publication and grant, as are damages. Read some of the principles applicable to an account of profit as been laid by Laddie J, in *Celanese International Corp v. BP Chemicals Ltd* (1999) RPC 203.

However, damages may not be available or may be limited if the patent is found to be partially valid only by s63. Note further that damages and cost may not be available at all unless the court or the comptroller is satisfied that the claimant has proved that the specification was framed in good faith and with reasonable skill and knowledge. See *Lubrizol Corp v. Esso Petroleum Co. Ltd* (1998) RPC 727.

It is imperative to note that there is a limitation on the validity of damages or an account of profits if a transaction, instrument or event by which a subsequent proprietor or exclusive licensee acquired his rights in the patent has not been registered promptly.

Where an injunction will be granted, it is important as a general that to note that where the validity of the patent and the infringement are conclusively established but of course, the grant of an injunction is discretionary. The purpose of an injunction is to prevent apprehended use of the patentee's statutory monopoly. As in *Coflexip SA v. Stolt Comex*

Seaway MS Ltd (2001) RPC 182, where the court of first instance granted an injunction and was subsequently quashed by the court of Appeal on the ground that it suffered three deficiencies.

Finally in remedies, damage is one of the salient issues in remedies which may be given in lieu of injunction. Note that the calculation of damages can give rise to complex considerations. The principle for calculation was stated in *General Tire & Rubber Co. v. Firestone Tyre & Rubber Co. Ltd* (1975) RPC 203.

3.5 Revocation of Patents

The validity of a patent may be annulled by an application, by any person including the proprietor; it could also be by putting the validity of the patent in issue or to revoke the patent.

In *Cairnstores Ltd v. Aktiebolaget Hassle* (2002) FSR 564, here it was confirmed that any person could apply for revocation, the principle that any person can apply for revocation is founded on the basis that it is in the public interest to keep invalid monopolies off the patent register.

The grounds for revocation of patent have been enunciated in s72, PA, 1977 and s9, PDA, 1990 as follows:

- (a) if the subject of the patent is not patentable under section 1 of this Act; or
- (b) if the description of the invention or the claim does not conform with section 3(2) of this Act; or

(c) if for the same invention a patent has been granted in Nigeria as the result of a prior application or an application benefiting from an earlier foreign priority.

It is imperative to note that a person whose application for revocation has been refused by the comptroller may apply to the court for revocation only with the leave of court, however where revocation proceedings has been commenced but there is subsequently a settlement and the proceedings are withdrawn, it appears that the comptroller still has the power to continue considering the matter by refusing to accept the withdrawal.

4.0 CONCLUSION

It is germane to the discussion of patent to discuss, infringement, defences available to an infringer, remedies available to an infringement and probably the issue of revocation in patent cannot be overemphasized. Imperatively, infringement of patent by a third party cannot go unpunished without the relevant remedies available to the patent owner.

5.0 SUMMARY

In summary, the unit has discussed infringement of patent , the categories of infringement and also the defences available to an alleged infringer and the remedies available to the patent proprietor have also been discussed. However, it is also important to note that revocation of a patent has been discussed.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain and apply the principal defences to an action for patent infringement.

2. Explain the grounds on which a patent may be revoked.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 6

International and National regulations of Patent law

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Paris Convention

3.2 The Patent Co-operation Treaty (1970)

3.3 The European Patent Convention (1973)

3.4 Patent Act, 1977

3.5 Patent and Design Act, 1990

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The Paris Convention is an important and one of the first [industrial property treaties](#). As a result of this treaty, [intellectual property](#) systems, including [patents](#), of any contracting state are accessible to the nationals of other states party to the Convention.

It is however imperative to note that national and international conventions are germane to the development of patent in any nation, Nigeria not been an exception to this scenario.

In this unit we will discuss international and national conventions that regulate patent all over the world, United Kingdom and Nigeria as a nation.

The conventions are Paris Convention which is been regulated by the world intellectual property organization (WIPO), and other patent related conventions will be treated in this unit ranging from the Patent Co-operation Treaty (1970), The European Patent Convention (1973), then the community Patent, the Patent Act of 1977 and the Patent and Design Act LFN 1990.

2.0 OBJECTIVE

This unit is set to discuss international and national conventions regulating patent, from Paris convention been regulated by WIPO and the Patent Act, 1977 and the Patent and Design Act, LFN 1990. Learners should at the end of this unit be able to discuss conventions regulating patent.

3.0 CONTENT

3.1 Paris Convention

Prior to the existence of an international industrial property regime it was difficult to obtain protection for industrial property rights in the various countries of the world because of the diversity of their laws.

The origins of proposals for an international convention on the protection of industrial property were traced by Carl Pieper and Paul Schmid, in their history of the 1883 Paris Convention, here a diplomatic conference was held in 1880, the Convention was signed in 1883 by 11 countries: Belgium, Brazil, France, Guatemala, Italy, the Netherlands, Portugal, El Salvador, Serbia, Spain and Switzerland.

The Treaty was revised at Brussels, on December 14, 1900, at Washington, D.C., on June 2, 1911, at The Hague, on November 6, 1925, at London, on June 2, 1934, at Lisbon, on October 31, 1958, and at Stockholm, on July 14, 1967, and was amended on September 28, 1979.

The Convention now has 171 contracting member countries, which makes it one of the most widely adopted treaties worldwide. The Paris Convention is administered by the World Intellectual Property Organization (WIPO) based in Geneva, Switzerland.

This is a convention that regulates all industrial property right from patent to trademark and design.

3.2 The Patent Co-operation Treaty (PCT)

It is a convention established in 1970 and is been administered by WIPO and it creates a procedural mechanism in assisting the intending patentee who wishes to obtain protection in more than one state by enabling a single application to be made, which is then subjected to an international search and preliminary examination before being turned into a bundle of national applications for all PCT states unless the applicant opt out.

3.3 The European Patent Convention (EPC)

It is an instrument of the council of Europe in Strasbourg. Membership of this convention is open to any country belonging to the council of Europe, note that patent applicants need not be citizens of these states.

Once a patent is granted in this region, European patents are treated as national patents, so infringement actions are heard by local courts.

3.4 Patent Act 1977 (United Kingdom)

The Patents Act 1977 was enacted predominantly to give effect to the United Kingdom's obligations under international treaties namely the PCT, EPC and Community Patent.

This act introduced substantive provisions on patentability and as well as statutory definition of infringement derived from the proposed community patent.

The fact that the 1977 Act is influenced by international conventions has an effect upon its interpretation. Note that the United Kingdom courts are to have regard to how courts in other states to which those conventions apply.

3.5 Patent and Design Act (1990)

This is the legislation that regulates patent and design in Nigeria and it is an act that was drafted after the 1977 Patent Act of the United Kingdom. It is used primarily to regulate the registration and procedures relating to registration of patent in Nigeria.

4.0 CONCLUSION

It is however pertinent to note that international and national conventions regulating patent are important in the regulation of the said subject matter for efficient registration of patent both locally and international.

5.0 SUMMARY

In summary, we have discussed international conventions regulating industrial property that is the Paris Convention, and also the conventions regulating patent the PCT and the EPC, however it is also important that learners should be able to discuss the credence of Patent Act, 1977 and also that of the PDA, 1990.

6.0 TUTOR MARKED ASSIGNMENT

1. Briefly discuss international convention regulating patent.
2. Patent and Design Act 1990 how realistic are its provisions to registration patent in Nigeria.

7.0 REFERENCES/FURTHER READING

- Helen Norman, Intellectual Property University of London Press (2005).
- Paris Convention,
- Patent and Design Act, 1977
- Patent and Design Act 1990

MODULE 2

Unit 1

Trade Mark

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content
 - 3.1 Trade Mark
 - 3.2 Historical evolution of Trade Mark
 - 3.3 Nature of Trade Mark
 - 3.4 Functions of Trade Mark
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Trade Mark is a diverse and familiar feature in both industrial and commercial markets.

Trademarks have long been used by manufacturers and traders to identify their goods and distinguish them from goods made or sold by others

Marks are a very valuable form of intellectual property because they become associated with quality and consumer expectations in a product or services. Note that for example some goods are synonymous with their trade name: like the soft drink Coca-Cola, Nescafe coffee, Cadbury chocolate and Levi Jeans.

It is however imperative to note that it is difficult to estimate the economic value of the power of symbolism in marketing. Example of symbolism here is also reinforced by the shape of the Coca-Cola bottle, which was designed to prevent the dissipation of the company image resulting from the variety of bottles Made.

A trade mark must be used or intended to be used in relation to certain goods or services.

2.0 OBJECTIVE

The main purpose of this unit is purely to discuss trademark. This will start by various definitions of the concept to the historical development of mark as a concept of industrial property which is also an arm of intellectual property.

This unit will also go further to discuss nature, functions of trademark.

3.0 CONTENT

3.1 Trademark

A trademark is a distinctive sign or indicator used by an individual, business organization, or other legal entity to identify that the products or services to consumers with which the

trademark appears originate from a unique source, and to distinguish its products or services from those of other entities.

A trademark is typically a name, word, phrase, logo, symbol, design, image, or a combination of these elements. There is also a range of non-conventional trademarks comprising marks which do not fall into these standard categories, such as those based on color, smell, or sound.

The term trademark is also used informally to refer to any distinguishing attribute by which an individual is readily identified, such as the well-known characteristics of celebrities. When a trademark is used in relation to services rather than products, it may sometimes be called a service mark, particularly in the United States

The essential function of a trademark is to exclusively identify the commercial source or origin of products or services, such that a trademark, properly called, indicates source or serves as a badge of origin. In other words, trademarks serve to identify a particular business as the source of goods or services.

Trademark can be seen as serving two main purposes, first reflecting the fact that a registered trademark is an item of property, to protect business reputation and goodwill, while it also protect consumers from deception, that is to prevent the buying public from purchasing inferior goods or services in the mistaken belief that they originate from or are provided by another trader.

A trademark should act as a badge of origin. In the words of Lord Nicholls of Birkenhead in *Scandecor Development AB v. Scandecor Marketing AB* (2002) FSR 122@ 33 the notion that distinctiveness as to business source (the goods of one undertaking) is the essential function of a trademark today.

The basis of trademarks is to show a connection between undertaking and their goods and services so as to distinguish them from other undertakings has important implications in terms of character merchandising and in relation to memorabilia.

It is imperative to note that the name, image or other mark is unlikely to serve the primary purpose of acting as a badge of origin and consequently, it will not satisfy the basic requirement for registration as a trademark.

3.2 Historical Evolution of Trademark

In trademark treatises it is usually reported that blacksmiths who made swords in the Roman Empire are thought of as being the first users of trademarks. Other notable trademarks that have been used for a long time include Löwenbräu, which claims use of its lion mark since 1383, and Stella Artois, which claims use since 1366. Another way of trademark is the branding of cattle to indicate ownership. Registered trademarks involve registering the trademark with the government.

Although the history has a long way, but the law regulating it is relatively young. An

earlier example of an abuse is the case of Southern and How, (1618) Popham 143, here one clothier applied another's mark to his own inferior's cloth which gave rise to an action in deceit.

However, it soon became clear that that this area of law needed clarification and pressure grew from traders for an effective statute which will provide for a system of registration, then the advent of the first statute which was the Trade Marks Registration Act 1875, which established a register for trademarks and which was extremely successful judging by the number of registration applied for.

The current statute is the trademark law of 1994 which represents a milestone in trademark law and it contains the most radical changes since the first trademark legislation in the United Kingdom. And the Nigerian traders got its trademark legislation ala carte and the current trademark law is the Trademark Act Cap 436 LFN 1990.

It is imperative to note that these legislations will be discussed later in this module.

3.3 Nature of Trademark

A trademark is an exclusive right, which confers on its owner the right to prevent someone else from making use of the trademark. Sec 2 of the Trademark Act 1994 (UK), declares that registered trademarks are personal property, in the same way that all other forms of intellectual property are classified as intangible rights. However, sec 26 of Trademark Act LFN 2004 talks about assignment and transmission of trademarks and this is only

achievable when the subject matter is a property.

It is important to note that you can place a value on a trademark for the purposes of a company balance sheet (the Coca Cola trademark has been estimated to worth \$60billion).

Note that once the trademark is removed from the register then the property right vanishes. It can also be revoked by the comptroller for mismanagement by his owner.

Note that there may be both copyright and trademark rights in a pictorial mark and they can also appear in a piece of music, as a tune as trademark. See *Shieldmark BV v. Joost Kist* (2004) All ER (EC) 277. Note that just because a large amount of money has been expended in the creation of an invented word trademark that does not mean it is capable of protection as a literary work under the law of copyright. See *Exxon Corp v. Exxon Insurance Consultants International* (1981) 3 All ER 241.

3.4 Functions of Trademark

It is imperative to note that the functions of trademark to industrial property can not be over emphasized. There are four main functions of trademark that will be discussed here.

And it is also important to note that the function of trademark is peculiar to passing off and the registrability, infringement and revocation of trademarks.

1. Origin Function

This is the first in the series of functions of trademark, and naturally the view of the origin function of a trademark is that it tells the consumer about the commercial origin of the

goods they are about to buy. Note that it doesn't matter that the consumer doesn't know the exact origin of the goods as long as the consumer recognizes the consistency of the source of supply. *McDowell Application's* (1926) 43 RPC 313.

In *Arsenal Football v. Matthew Reed* (2002) ECR 1-10273, the court declared that the essential function of a trademark was to guarantee the identity of origin of the marked goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin.

The trademark must offer a guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking responsible for their quality.

2. Product differentiation function

The trademark in this regard enables consumers to choose between competing products that is they can distinguish the goods of one undertaking from those of others.

3. Guarantee Function

It is said that trademark fulfills guarantee function, when it indicates that the trademark operates to reassure the consumer about the consistent quality of the goods.

The guarantee function has been recognized in a case involving supermarket own brand 'lookalikes' of *United Biscuits (UK) Ltd v. Asda Stores Ltd* (1997) RPC 513, where the court held that the adoption by the defendant supermarket of the 'get up' of chocolate biscuits

which imitated that of the claimants famous PENGIUN biscuit would lead shoppers to think that the biscuits, although cheaper had been made for Asda by the claimant, so would expect the same quality.

4. Advertising Function

It has been pointed out that if a trademark is a vehicle for creating goodwill. Its selling power should be protected against free riding by those who wish to take advantage of its reputation. See Arsenal case.

In CLAERYN/KLAREIN (1976) 7 IIC 420, where the owner of CLAERYN Dutch gin was able to prevent colgate using KLAREIN for toilet cleaning liquid. Both marks had an identical pronunciation in the Dutch language and consumers would not wish to be reminded of a cleaning agent while drinking a glass of high quality gin.

4.0 CONCLUSION

It is imperative that the functions of trademark cannot be overemphasized in industrial property law as is significant to the growth of any business and mark distinguishes the business of one person from another in order to prevent product mix up and for consumers to identify what they are buying. In so many countries most companies sell goodwill in business and goodwill is built alongside the quality of the product been sold to consumers by business owners.

5.0 SUMMARY

It is important to note that trademark has been introduced in this unit to learners of this work, this has been discussed from the point of its introduction through definitions offered by the legislations and various scholastical definitions. And the word trademark discussed at length for better understanding of the subject matter by the students. It is however germane to note that the nature and functions of trademark was also discussed at length.

6.0 TUTOR MARKED ASSIGNMENT

1. Define the term trademark.
2. Explain the functions of trademark with the aid of case laws.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Trade Mark Act LFN (2004)
- Trade Mark Act 1990 (UK)

Unit 2

Registration of Trade Mark

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content
 - 3.1 Definitions of Mark
 - 3.2 Registrability
 - 3.3 Registration Procedure
 - 3.4 Grounds for Refusal of Trade Mark
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

It is important to note that mark or sign are significant aspect of trademark. In this unit, we will be discussing what sign or mark means as it relates to trademark. The statutory provisions on what signs are registrable as trademarks are also important in this discourse, example persons opposing the registration of trademark based their grounds of opposition on the statutory framework governing what is and what is not registrable. And however,

this is especially so where opposition is based on the identity or similarity of the mark.

It however pertinent to note that the grounds for refusal of mark or sign for trademark registration comes in two ways that is absolute and relative grounds which is germane to this unit.

2.0 OBJECTIVE

The main objective of this unit is to discuss the definition of marks and signs as it relates to trademark. We will however move to the registrable and trademark to know which sign or mark can be registrable or not. And also the procedure for registration of trademark will also be discussed.

It is however important to this end that we will discuss the grounds for refusal of registration of trademark.

3.0 CONTENT

3.1 Mark or Sign

It has been said that Mark may consist of any sign capable of being represented graphically particularly words, including personal names, designs, letters, numerals, the shapes of goods or of their packaging provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertaking.

However, the inclusion of shapes in the statutory definitions of mark has overturned the

House of Lords decision in *Re: Coca Cola Trademarks* (1986) RPC 421, which was to the effect that a bottle could not be a trademark, because it would create an unfair monopoly.

The word sign has been defined in *Philips Electronics NV v. Remington Consumer Products* (1998) RPC 283, so that a word is plainly included within the meaning of sign.

Note that any message capable of perception by the sense can be a trademark

3.2 Registrability

It is important to note that what constitute registrable mark are significantly widened by the Trademark Act (1994) compared to previous legislations and also the Trademark Act LFN 1990 in this regard. However, shapes and colours have been added to the trademark Act of 1990 as against the previous legislations. And also the trademark Directive and the trademark 1994 and the trademark Act LFN 1990 will be the guiding point in this area of discourse. Note that Art 2 of the trademark directive is not intended to be exhaustive. See *Shield Mark BV v. Joost Kist* (2004) All ER (EC) 277. We will however discuss marks and signs that are registrable in this unit that is marks and signs that are:

1. Capable of Distinguishing

In case C-299/99 *Philips Electronics BV v. Remington Consumer Products* (2002) ECR I-5475 where the court explained that if trademark has distinctive character (either inherently or as a result of use) then it must be capable of distinguishing. However in Art 2 of the trademark directive capable of distinguishing means that the sign must be able to

differentiate the goods or services of one undertaking from those of other undertakings and to fulfill its essential function of guaranteeing the origin of the products. See C39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc (1998) ECR I-5507.

Unless they are trademarks within the basic definition, signs are simply not registrable this is well enunciated in Art 3 (1) (a) which states that signs which cannot constitute a trademark shall not be registered shall be liable to be declared invalid. Also s10 of the Trademark Act LFN 1990 also talks about distinguishing of In order for a trade mark to be registrable in Part B of the register, it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor or the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

It is pertinent to note that a sign that constitute exclusively of the shape which results from the nature of goods is not registrable, that is such a sign can never act as a trademark, as a badge of origin. It is also very imperative to note that a trademark must act as an indicator of origin, denoting from whom goods or services come rather than what the goods or services are. In case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Inc (Supra), where the court held that the essential function of the trademark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him,

without any possibility of confusion, to distinguishing the product or service from others that have another origin.

Finally, in *Heidelberger Bauchemie GmbH v. Detsches Patent-und Markenamt ECJ* , 24 June 2004 @ parag. 40 where what 'capable of distinguishing' means that the category of sign (e.g a shape, musical tunes, colours) must have the potential to function as a trademark, to enable consumers to choose between different brands.

2. Capable of Graphic Representation

Graphic representation is a representation that is bureaucratic in nature, there was discuss of being able to register colours, sounds and in addition shapes, smells and fragrances. Asides the condition of capable of distinguishing then it must be capable of being represented graphically. A limiting factor determining whether a sign is capable of being represented graphically is the requirement for a representation of the mark to be contained in the application to register a trademark, another one is the avert of marks in the trademark journal which by the trademark Rules 2001 r 71 must contain a representation of the mark and the application form TM 3 has a square box (8cm x 8cm in which the representation must be placed.

In case C-273/00 *Sieckmann v. Deutsches Patent -und Markenamt (Supra)*, here the applicant had attempted to register the smell of cinnamon. The ECJ declared that in principle a smell could be a trademark.

a. Colour Marks

In colour as marks it is important to first include the colour(s) either as a sample or by means of an image of the goods to which the colour is applied. And secondly to use a well known references as a system for colours. Note that in applying to register as a trademark, a single colour or a colour combination in the abstract will not be easy. In case C-104/01 *Libertel Groep BV v. Benelux - Merkenbureau* (2003) ECR I-3793, here an application was made to register the single colour orange in the field of telecommunication and representation was submitted in the form of a rectangle of colour with no other indication of the colour such as a reference to a colour coding system and the court held that a single colour, not spatially limited, may be acceptable if an internationally recognised colour code is used but simply reproaching the colour on paper does not satisfy the requirement of being capable of graphical representation.

Note that in the Nigerian context, under the Trademark Act LFN 1990 s16 states that A trade mark may be limited in whole or in part to one or more specified colours, and in any such case the fact that it is so limited shall be taken into consideration by any tribunal having to decide on the distinctive character of the trade mark.

b. Sound Marks

It is important to note that the use of conventional musical notation is appropriate for representing music as trademark. See the direct Line Insurance Plc telephone jingle (UK registration No 2030045, 2127794 and 2127799).

Note that in the future, it may become acceptable to file a sound mark in digital form that is MP3 file, so that it can be played by accessing the file by computer.

c. Olfactory marks

The registration of smells, odours and fragrances has met with very little success. How does one represent a smell graphically in a way which is clear, precise, easily accessible, intelligible, durable and objective. Note that despite its shortcomings there are still some successes of olfactory marks registration. The first of which is the trademark is a floral fragrance/smell reminiscent of roses applied by tyres with registration No 2001416.

It is imperative to note that applicant hoping to register olfactory marks soon realised that a written description on its own may not be sufficient to fulfill the requirement of graphical representation and they demonstrated some not inconsiderable ingenuity. See *John Lewis of Hungerford Ltd's Trademark Application* (2001) RPC 575.

d. Shape marks

This is one of the straight graphical representation of a shape mark by means of a drawing or set of drawings from different angles. In *C-299/99 Koninklijke Philips Electronics NV v. Remington Consumer Product Ltd* (supra), where the court of justice has made it clear that shape marks are to be treated no differently to other types of signs for the purposes of fulfilling the requirement under Art 2.

However, in *Triomed (Propreitary) Ltd v. Beecham Group Plc* (2001) FSR 583, the South African High court revoked a shape mark used for pharmaceuticals. It is important to note finally that another hurdle that stands in the way of registering shape marks results from the basic requirement that the mark must be capable of distinguishing goods or services of one undertaking from those of others. It has to operate as a trademark - a badge of origin.

3.3 Registering

This part of the unit will be comparing the registration and registry procedure in Nigeria and the UK. Under s32 of the Trademark 1994, an application to register a trademark requires the submission of the following items and s18 of the Trademark Act LFN 1990.

1. A request for Registration
2. The name and address of the applicant
3. A statement of goods and services in relation to which is sought to register the trademark
4. A representation of the trademark
5. A statement that the trademark is being used, by the applicant or with his consent, in relation to those goods or services or he has bonafide intention of so using it.
6. The prescribed fee.

Note that the filling date will be the date when all necessary documents have been furnished to the registrar, while s35 provides for priority from earlier fillings from Paris Convention countries for up to six months.

Note that in the absence of any ground to challenge an application on this basis, it remains possible that any other person claiming to have the right to use it may oppose the application on the basis of the relative grounds or on the ground that the application was made in bad faith. In *Ball v. Eden Project Ltd* (2002) FSR 686, in an infringement action, it was held that registration of a company name by a director of that company without that company's consent for the apparent purpose of giving the director a personal benefit was a breach of the director's fiduciary duty. It is however imperative to read more on the statutory provisions available for registration of trademark. Read more on s37-41 Trademark Act 1990 and s17-22 of the Trademark Act LFN 1990.

3.4 Grounds for Refusal of Trademark

There are two main categories of grounds available for refusal of trademark applications.

1. Absolute Ground for Refusal

There are concerned with the internal features of the trademark that is with some innate quality which means it cannot be registered. This head is set out in Art 3 of the DTM. Note that the trademark must have been inherent or acquired distinctiveness. It is also important that where the sign consists exclusively of a shape resulting from the nature of the goods, necessary to obtain a technical result or which gives substantial value to the goods. Then, other grounds for refusal or invalidity apply where the mark is contrary to public policy or accepted principles of morality, deceptive or if the application is made in bad faith. It is inevitable to stress that there will be some overlap between the four grounds under Art

3(1) (a)-(d) but each remains independent of the other and each must be interpreted in the light of the public interest underlying them.

In case C-329/02 P *SAT.1 Satelliten Fernsehen GmbH v. OHIM (SAT 2)*, ECJ, 16 December, 2004 where it was held that each of these paragraphs require the trademark to be considered concretely, that is in relation to the goods and services to which the mark will be applied, judged through the eyes of the average consumer of these goods. It is however, imperative to read Art 3(1) (a)-(d) and also Art 3(3), lets briefly outlines the heads and purpose of these sections.

a. Art 3(1) (a)

This paragraph talks about if it lacks the required ingredient of a trademark namely sign, capable of graphic representation and capable of distinguishing then it is not a trademark.

b. Art 3(1) (b)-devoid of any distinctive character

Shapes, single colours and descriptive or laudatory words may all fall into this ground for refusal. In case C-104/01 *Libertel Groep NV v. Benelux Merkenbureau* (2003) ECR I -3793, this concerned an application to register the colour orange in the abstract to be used in relation to telecommunications. Of course, it does not follow as a matter of inexorable logic that a mark which is not wholly descriptive must be distinctive. Thus for a trademark to be caught by the ground under Art 3 (1) (b) it must be potentially capable of distinguishing the goods or services of one undertaking from those of others, because of lack of use, it is not perceived as a badge of origin.

c. Art 3(1) (c)-Descriptive of characteristics

The public interest in allowing others freely to describe their goods or services is paramount here and subject only to acquired distinctiveness under Art 3(3). In *Besnier SA's Trademark Application (2002) RPC 260* where it was held that the use of the trademark for which registration was sought 'Day by Day' would naturally, be used by other traders to describe the time of delivery for their goods and services and the main purpose of this Article was to prevent the registration of words and phrases that other undertakings would want to use in a non trademark sense.

d. Art 3 (1) (d)-Customary Signs or Indications

This ground excludes those trademarks consisting of signs or indications that are in common use in trade, note that this applies only in respect of the goods or services for which registration is sought. In case *C-517/99 Merz & Krell GmbH (2001) ECR I-6959*, where the court held that for ground refusal to apply the sign or indication in question must designate the goods and services in respect of which registration is sought.

There are other grounds for refusal of trademark registration ranging from Art 3 (1) (e) that is shape marks and Art 3 (1) (e) where the registration is contrary to public policy or accepted principle of morality then it will be refused for registration. In the UK, an application was made to register 'JESUS' for a range of goods in *Basic Trademark SA's Application (2005) RPC 611*, where it was rejected on the basis that it was contrary to public policy or accepted principle of morality. Other grounds in this head is in Art 3(1) (g)

that is deceptive marks and also application made in bad faith that is in Art 3 (2) (d) see Harrison v. Teton Valley Trading Co. (2004) EWCA CIV. 1028, 27 July 2004.

2. Relative Ground for Refusal

This however, the second ground for refusal of trademark application. Generally, it is important to note that the relative grounds are usually raised in opposition proceedings brought by proprietors of earlier trademarks or other earlier rights. Earlier trademark has been defined in Art 4(2) and in s6 of the trademark Act 1994 as one having an earlier application date, taking any priority into account, being a community trademark, one registered in a member state or registered under international arrangements having effect in the member state. It is imperative to note that where an earlier trademark has not been registered, it will be treated as an earlier trademark subject to its registration.

Note that s5 (1) - (3) of the Trademark 1994 should be read in sequence in order to achieve the prior trademark registration. See Reed Executive Plc v. Reed Business Information Ltd (2004) RPC 767 (CA).

a. Identical Goods or Services-Art 4(1) (a)

An earlier registration of the identical mark for identical goods or services will bar the application s5 (1) note that where there is incomplete identity of the sign and then the trademark shall be registered or if registered, shall be liable to be declared invalid. See Case C-245/02 Anheuser Busch Inc v. Budejovicky Budvar (2004) ECR-10989. Identical

goods mean the goods for which the senior mark is actually registered. However, the test for what an 'identical sign' is has been explained by the ECJ in Case C-291/00 LTJ Diffusion SA v. Sadas Vertaudet SA (2003) ECR I-2799, where the court stated that identity must be strictly interpreted and requires that the two marks be the same in all respects.

However, in the UK it has been accepted that applying to register a trademark which is identical to an earlier trademark but to which additional material has been added may be caught by this ground of refusal. In Decon Laboratories Ltd v. Fred Baker Scientific Ltd (2001) RPC 293, where it was held that the use of an identical sign with a suffix descriptive of the nature and quality of the goods was used for an identical sign. Contrast in Compass Publishing BV v. Compass Logistics Ltd (2004) RPC 809, where it was held that 'COMPASS LOGISTICS' was not identical to COMPASS as the difference were apparent and the public would distinguish them without prior coaching.

As a likelihood of confusion is presumed where there is complete identity of the sign and the earlier trademark and the goods and services, the ground of refusal under Art 4 (1) (a) should be reserved for those cases where a significant proportion of consumers would think there was complete identity given that it has been accepted that consumers do not usually make a direct comparison between the sign and the earlier trademark. In Reed Executive Executive Plc v. Reed Business Information Ltd (2004) RPC 767, where Jacob LJ said that he did not think that Reed Business Information was identical to Reed.

b. Incomplete Identity of Mark and goods or services

It is a ground that is commonly used in opposition or invalidity proceedings. In Art 4 (1) (b), and s13 (1) Trademark Act LFN 1990 which states that a trademark shall not be registered or if registered shall be liable to be declared invalid:

“...if because of its identity with, or similarity to the earlier trademark and the identity or similarity of the goods or services covered by the trademarks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark.”

The appreciation of confusion depends on numerous elements, in particular, the recognition of the trademark on the market, of the association which can be made with the used or registered sign, the degree of similarity between the trademark and the sign and between the goods or services identified.

In Case C-251/95 Sabel BV v. Puma AG, Rudolf Dassler Sport (1997) ECR I-6191, where the court stated that ...it is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public.

Note also that confusion as to origin might result from the association the public makes between a very distinctive mark and mark applied for. See Case C-425/98 Marabou CV v. Adidas AG (2000) ECR I-4861.

In Case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc. (1998) ECR 1-5507, where it was held that confusion requires that the relevant section of the public believes the goods or services came from the same undertaking or economically linked undertakings.

c. Unfair Advantage of or Damage to Repute of Trademark

An earlier registration of the identical or similar mark will bar the application where the earlier has acquired a reputation and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier mark. In Case C-292/00 Davidoff & Cie SA v. Gofkid Ltd (2003) ECR 1-389, in this case the Swiss based claimant used the trademark 'Davidoff' in relation to high class goods. The defendant, established in Hong Kong, used a word and devise mark 'Duffee' which was alleged to be similar to those of the claimant. It was claimed that the defendant had tried to take unfair advantage of the prestige value of the claimant and there would be damage to the reputation of its trademark as persons do not tend to associate high-quality goods with China. The test of taking an unfair advantage of or being detrimental to the reputation of the earlier trade, this conjures up two possibilities, the first being where some of the goodwill associated with the earlier mark captured, diluting or blurring its distinctiveness.

See examples of successful oppositions CA Sheimer (M) Sdn Bhd's Trademark Application (VISA) (2000) RPC 484, here VISA for credit if allowed to be registered for condom will tarnish the reputation of the earlier registration.

It is imperative to mention other grounds for refusal of trademark under Art 4 (4) (d)-(f) which related to recently expired trademark, collective marks and certification marks.

4.0 CONCLUSION

It is important to note that it is an integral part of trademark and care must be taken in its registration to protect the right of the trademark owner against infringement from third party. It is also imperative that the grounds for refusal of registration trademark should be look at critically. However, the law governing Trademark is obsolete and a drastic change is required to come up to date. Nigeria as a member of WIPO need a lot of overhauling in other to reduce to its barest minimum the dumping of trademark infringed goods in the country.

5.0 SUMMARY

In summary this unit has defined the meaning of mark and sign, it also went ahead to describe registrability that is mark, sign, colours and shapes that will qualify to be registered. Note that the procedure for the registration of trademark was also highlighted in this unit. And lastly the grounds for the refusal of registration of trademark were also discussed in this unit.

6.0 TUTOR MARKED ASSIGNMENT

1. Consider whether EACH of the following could be registered under the provisions of the Trade Mark Act LFN 1990 in comparison to the UK Trademark Act 1994.

- a. the sound of a bird for breakfast cereal
 - b. the colour Yellow and Purple for a telecommunication company
 - c. soap in the shape of a heart.
2. C-292/00 Davidoff & Cie SA v. Gofkid Ltd (2003) ECR 1-389, explains the decision of the court with statutory authority and decided case law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007)
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Trademark Act Cap 436 LFN 1990.
- Trade Marks Directive
- Trade Mark Act 2004

Unit 3

Trade Mark Infringement and Defences

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Main Body
 - 3.1 Trade Mark Infringement
 - 3.2 Limitations and Defences to Trade Mark
 - 3.3 Surrender of Registered Trademark
 - 3.4 Remedies to Trademark Infringement
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Infringement generally is the unauthorized use of the right of person's invention, this is not an exception in trademark as infringement also occurs in trademark as in copyright and patent, it occurs where a person uses the sign or mark of either a registered or non-registered trademark. It is imperative to note that infringement in trademark tarnishes the goodwill and reputation of the owner of the trademark because the infringer will in most

cases uses the trademark for inferior goods or services without the end user been aware of the infringement.

Then this brings us to the issue of defences and limitation which can limit the right of the trademark proprietor and also the said proprietor has some remedies available to him after the success of the proceedings.

It is also important to note that the validity of the trademark might also be an issue once it has expired and the proprietor has not renewed or it is been revoked for some fraudulent grounds like fraud, misrepresentation before the grant of the trademark.

Finally, it is pertinent for a proprietor of trademark to protect its right on a trademark as against an infringer.

2.0 OBJECTIVE

The main objective of this unit is to discuss infringement ranging from its definition, to areas that infringement can occur, then also the protection available to the proprietor, also the defences available to the trademark infringer. We will also discuss the remedies available to the proprietor of the trademark and also the rights available to the state in this regard under validity and revocation of the trademark if found to be against public interest.

3.0 CONTENT

3.1 Trademark Infringement

Trademark Infringement is based on the use of a sign identical or similar to the registered trademark. It is important to note that infringement can extend to the spoken use of words as well as to a graphic representation. However, the proprietor cannot begin infringement proceedings before the date on which the mark is in fact registered that is the date the registration is granted. But obviously no proceedings can be entertained until it is known that the mark has been registered.

Note that a claimant who brings a trademark infringement action will have to show two things, that an act of infringement has been committed and that such conduct falls within the scope of protection afforded to the registered mark.

It is pertinent to note that before the act is said to be an infringement or before it is regarded as an infringing act then the following that will be discussed would have taken place. However, the infringing acts are set out in s10 Trademark Act 1994.

a. Use in course of trade

A definition of the word in the course of trade was first given in Case T-195/00 Travelex Global and Financial Services Ltd v. Commission, 10 April 2003, where the court held that the commission had not when it adopted the official euro symbol, used a sign which infringed the claimant's trademark in the course of trade.

b. Use as a trade mark

It is important to note whether it is required that the offending sign is being used in a trade mark sense, as an indicator of origin. In *British Sugar Plc v. James Robertson & Sons Ltd* (1996) RPC 28, where Jacob J, held that descriptive use would not infringe.

Also in *Arsenal Football Club Plc v. Reed* (2001) RPC 922 where Ladie J, thought that the scarves and other items bearing the football club's trade marks sold by a third party from a stall sited outside the Arsenal football ground and carrying a disclaimer to the effect that the goods were not official Arsenal merchandise, was not use of the trade marks as indicating origin. They operated rather as badges of support for, loyalty or affiliation to the trademark proprietor.

c. Use in relation to goods and services

It is imperative that this phrase has not been clearly explained by the court, although we may conclude that there should be some level of proximity between the infringing sign and the product being offered to the public.

In *Trebor Bassett Ltd v. The Football Association* (1997) FSR 211, here a sweet manufacturer has supplied 'collectible' cards depicting members of the England football team in its packs of sweets. The defendant's trademark (the famous three lions' badge) could just be made out in some of the pictures. Rattee J, held that such incidental use was not use in relation to the sweet.

However, in *Beautimatic International Ltd v. Mitchell International Pharmaceuticals Ltd*

(2000) FSR 263, it was held here that the use on invoice was 'in relation to the goods supplied.

3.2 Limitations and Defences to Trademark

It is important to reiterate that a defendant to a trademark infringement action may wish to argue that the claimant has failed to establish all the ingredients of the action. Then again, the defendant may wish to rely on one or more of the limitations and defences found in the Act. And these would be discussed here. It is also important to note that the limitations are there to allow the use of own names and descriptions where trademarks are registered on proof of distinctiveness.

1. Consent and Non-Trademark Use

A defendant may claim that what has been done is with the consent of the registered proprietor. In *Northern Shell v. Conde Nast* (1995) RPC 117, where it was held that one licensee of the trademark could not sue another, because the latter was using the mark with consent.

In the defence of non trademark use, what is trademark use now has a broader meaning than before as a result of the ECJ's ruling in the *Arsenal* case (Supra).

2. Honest Practices

Honest practice could be where a trader uses his own name, not having deliberately selected a trading name to capture goodwill associated with a registered trade mark. In

NAD Electronics Inc v. NAD Computer Systems Ltd (1997) FSR 380, the test for honest practice was equivalent to bona fide use under s 8 of the 1938 Act. However, honest practice in the cut and thrust of commercial life may not necessary be bona fide in a strict sense.

3. Acquiescence

The proprietor's right will be limited if he has acquiesced in the use of a later registered trademark for a continuous period of five years, being aware of such use unless registration of the later trademark was applied for in bad faith.

4. Exhaustion of Rights

Exhaustion of rights applies where goods are placed on the market within the community by or with the consent of the proprietor of any intellectual property right subsisting in relation to the goods. The defence prevents the proprietor from using those rights to interfere with any subsequent commercialization of the goods in question. It is a defence that will be available either to the importer or to any one who subsequently deals with the imported goods.

Note that where an importer decides to repackage or rebrand or relabeled trade marked goods such conduct is prima facie infringement. Then the trademark owner can oppose such act. See Case C-143/00 Boehringer Ingelheim v. Swingward Ltd and Dowelhurst (2002) ECR 1-3759.

5. Groundless Threats of Infringement Proceedings

A groundless threats action can be brought for example to selling or offering to sell goods under the trade mark, using the trade mark in business papers or in advertising or stocking goods to which the trade mark has been applied for the purposes of selling them. The action is intended to prevent heavy-handed threats being made typically to secondary infringers such as retailers who may simply stop ordering further supplies of the alleged infringing goods rather than challenge the validity of the trademark.

In *Prince Plc v. Prince Sports Group Inc* (1998) FSR 21, here the claimant had registered 'prince.com' as its internet domain name. The defendant was an American company having registered 'prince' as a trademark in a number of countries including the UK. The defendant's Attorneys wrote to the claimant pointing out that its use of the domain name and claiming that the defendant was infringing the defendant's UK registered trademark. Litigation was threatened if the claimant did not assign the domain name to the defendant. The court granted a declaration that the threats were unjustified and an injunction against continuance of the threat.

6. Comparative Advertising

Comparative Advertising occurs when one trader compares its goods or services with those offered by others. And such comparison will usually refer to differences in price, quality or value. Note that the comparison may be brand free or may refer directly to the trademark of the competitor (washes cleaner than OMO) .

In *Barclays Banks Plc v. RBS Advanta* (1996) RPC 307, here the claimant was the proprietor of the registered trademark BARCLAYCARD, the defendant was a joint venture between the Royal Bank of Scotland and the Advanta Corp of USA, which was about to launch a credit card called RBS Advanta Visa Card. It distributed letters, leaflets contained a list of bullet points stating 15 ways the RBS Advanta Visa Card is a better card all round, and the brochure contained tables comparing the features of the RBS card with express reference to BARCLAYCARD and its features. The court held that comparative advertising was allowed as long as it was honest. And further stated that the use in this case was not in accordance with honest practices in industrial or commercial matters, or that it took unfair advantage of, or was detrimental to, the distinctive character or repute of the trademark.

3.3 Surrender of Trademark

Surrender may come about as part of settlement in an infringement action particularly in respect of some of the goods and or services for which the trademark is registered, it may be a way of saving a registration from a counterclaim for revocation across the full extent of goods or services for which it is registered.

Note however, that surrender may also be considered where an application for invalidity is made which the proprietor does not wish to fight, perhaps lost interest in the trademark.

1. Revocation of Trademark

Revocation of trademark means that it is removed from the register because it has not been

used for a continuous period of five or more years without proper reason for non use. An application to revoke a registered trade mark can be brought by any person, there is no requirement of *locus standi*. The impact of revocation is that it brings to an end the rights of the proprietor from the date of the application for revocation. Revocation is essentially concerned with the failure of the trademark owner to look after the trademark since it was registered. Sec 46(1) of the Trade Marks Act 1994 and Sec 31 (1) Trade mark Act LFN 1990 which states that a registered trade mark may be taken off the register in respect of any of the goods in respect of which it is registered on an application made by any person concerned to the court or, at the option of the applicant and subject to section 56 of this Act, to the Registrar, on either of the grounds set out in subsection (2) of this section.

One of the important grounds for the removal of a trademark from a register is the non use of the trademark for a continuous use of about five years or more. Use has been the main concern in this part of the work as sec 46 (2) describes use in terms of revocation, which includes use in a different form provided this does not alter its distinctiveness character. While s31 (2) of the 1990 Act reiterates the use of the mark, to be used bonafide.

However, the UK trademark talks about genuine use, and it does not mean the opposite of fake or sham use. In *Euromarkets Designs Inc v. Peters and Crate & Barrel* (2001) FSR 288, here Jacob J, said that "genuine use" must involve that which a trader or consumer would regard as a real or genuine trade in this country. The required use must be genuine use judged by commercial standards but could be established in circumstances where no actual

sales of the goods had taken place.

It is important to point out that the genuine use of the mark is the regarded as the same with the bonafide use of the mark in the Nigerian Trade Mark Act.

Revocation will not be ordered on grounds of non-use if the use is commenced or resumed after five years but before application for revocation is made. It also very important to mention that revocation may be partial or whole, partial revocation may be applicable where the trade mark has been used but only in respect of some the or goods services for which it was registered.

Finally, the consequence of revocation is the proprietor's rights are deemed to cease from the date of the application of the revocation.

2. Invalidity of Trade Mark

A declaration of invalidity is based on the simple premise that the trademark was registered in error. An application to have a registered trade mark declared invalid can be brought by any person there is no requirement as to *locus standi*, the Registrar may himself apply to the court for a declaration of invalidity on the grounds of bad faith in the registration of a trade mark. Where the grounds for invalidity apply only in relation to some of the goods and services for which the trade mark is registered, the declaration of invalidity will be limited accordingly to those goods and services, leaving the registration intact for those goods and services for which it remains valid.

It is pertinent to note that the effect of declaration of invalidity is that the registration will be void ab initio, however this will not affect any transactions past and closed. In *British Sugar Plc v. James Robertson & Sons Ltd* (1996) RPC 281, here Jacob J, found that the claimant's 'TREAT' mark was invalid as being within the absolute grounds for refusal, he noted that having declared the mark invalid, he did not have the power to order its revocation. This means that an invalid mark would remain upon the register until such time as the proprietor failed to renew the registration.

It is also important to stress further that a person who has made one attack on the validity of a trade mark may be estopped from making subsequent attacks. See *Hormel Foods Corp v. Antilles Landscape Investments NV* (2005) RPC 657. Note that this estoppel did not prevent a fresh attack based on revocation, however, as this was a fundamentally different claim.

3.4 Remedies to Trade Mark Infringement

The remedies for trademark infringement are available in respect of infringement of any other property right and they are damages, injunctions, accounts or otherwise.

Infringing material is material that bears an identical or similar mark and which is used (or intended to be used) for labeling or packaging the goods, or as a business paper or for advertising goods and services.

A proprietor of a trademark which is well known may restrain by injunction the use of an

identical or similar sign in respect of an identical or similar goods or services where such use is likely to cause confusion. See Philips Electronics NV v. Remington Consumer Product (1998) RPC 283.

4.0 CONCLUSION

Trade mark infringement is an act that cannot be ruled out of trade mark, and it is important to note that as people infringe on trademark proprietor's right, there also remedies that are available to the proprietor in that direction, however, there are also some defences that the defendant would also rely upon in that regard, and also some grounds that can make a proprietor surrender its right in that direction and also some other grounds that can make the trademark be revoked or invalid.

5.0 SUMMARY

In summary, in this unit we have discussed generally the concept of trademark infringement, also not left out of this discussion is the defences that are available to the defendant of a trademark infringement, however the limitations that can also hinder the right of the trademark proprietor. It is also pertinent to note that we have discussed the remedies available to the trademark proprietor. And also the revocation, surrender and invalidity of trademark have also been discussed.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the issues which need to be established in a trade mark infringement action.

2. Point out that even though the claimant proves all the elements of infringement, the defendant can rely on a number of statutory defences. Explain with decided authorities.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007)
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Trademark Act Cap 436 LFN 1990.
- Trade Marks Directive
- Trade Mark Act 1990

Unit 4

Trade Mark and the Internet

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content
 - 3.1 Trade Mark as Property
 - 3.2 Applying Mark to Material
 - 3.3 Trade mark and the Internet
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Trade mark as a property is like all other types of intellectual property where the proprietor of the trade mark has right over the said property once registered and can deal in with like every property possessed by an individual. Consequently, Art 8 of the Trade Mark Directive provides that trade marks may be licensed in respect of all or some of the goods or services for which they are registered and for the whole or part of the member state concerned.

It is important to stress that trade mark and the internet are imperative because the internet knows nothing of territorial boundaries and material placed on the internet, say on a web page that is why it is important that trade mark proprietor should be weary of the goods and services displayed on the internet in order to infringe the trade mark of other person in other part of the world, to this extent care should taken in display of goods and services on web.

2.0 OBJECTIVE

The main aim of this unit is discuss trade mark as property and emphasize the right of the proprietor as a property owner as it is conferred on every property owner, and also the right of a domain name owner and the internet related business. However, we will discuss the application of marks to materials.

3.0 CONTENT

3.1 Trade Mark as Property

A registered trade mark is an item of personal property. Note that an application for a trade mark is also a property right, where an applicant body was dissolve without provision fro ownership of the application, it will not evaporate but vest in the crown as bona vacantia. In Joel Cool (Manchesters) Ltd's Trade Mark Application (2000) RPC 926, here a purported assignment was void, as the assignor company had been dissolved before the date of the assignment.

Assignments or vesting assents are not effective unless in writing and signed by or on behalf of the assignor or personal representative. Note that a registered trade mark may be subject to a charge as is other personal property. Note further that each joint proprietor is entitled to an equal undivided share. Then it would appear that they are tenants in common. There are clearer rules for joint proprietorship of trade marks, note that each co-proprietor may do any act for his own benefit that would otherwise infringe, but may not without the consent of the other co-proprietor, grant a license to use the mark, or assign or charge his shares in the registered trade mark.

It is imperative to note that if the function of a trade mark is to act as a badge of origin, then even an exclusive licence which does not contain any provisions for quality control by the proprietor would seem unobjectionable. The public would perceive the goods or services as being those of the exclusive licensee. And this may be where the case where the licence is a bare exclusive licence. In *Scandecor Developments AB v. Scandecor Marketing AB* (2002) FSR 122, where the court suggested that a trade mark should not be regarded as liable to mislead if the origin of the goods is bare exclusive licensee.

In an infringement action, unless the licence provides otherwise, a licensee may call upon the proprietor to take action, and if the proprietor refuses or fails to take action within two months of being called on to do so, a licensee (including a sub -licensee) may bring proceedings in his own name as if he were the proprietor.

Normally, the proprietor would be joined in the action unless the court gave leave otherwise. A person becoming a proprietor or licensee has six months to register his interest (the court has discretion to extend if it was not practicable to register within six months). Failure to register within that time will mean that the new proprietor or licensee cannot obtain damage or an account of profits in respect of infringements occurring between the date of the transaction and the date of registration of the interest.

Finally, it is possible to grant an assignment or a licence in respect of a trade mark before it has been formally registered.

3.2 Applying Mark to Material

A person who applies a registered mark to material intended to be used for labeling or packaging goods, as a business paper (for example a company letterhead, or a sheet of instructions accompanying goods), or for advertising goods or services, shall be treated as party to any infringing use if, when he applied the mark, he knew or had reasons to believe that the application of the mark was not authorized by the proprietor or a licensee. See *Beautimatic International Ltd v. Mitchell International Pharmaceuticals Ltd* (2000) FSR 267.

3.3 Trade Mark and the Internet

The internet is a global environment and, as such traders need to exercise greater care when using signs or trade marks that could, potentially, infringe trade marks registered in other jurisdictions. In *Euromarket Designs Inc v. Peters and Crate & Barrel* (2001) FSR 288,

the defendant had a shop in Dublin and placed an advertisement on its website. Jacob J rejected the argument that the advertisement was directed at anyone in the UK.

Note that the danger of accepting the proposition that placing a sign on the internet in an advertisement for goods or services is to use it in every jurisdiction has very serious consequences. Many traders have small businesses with restricted physical catchment areas with sales only to persons who visit their retail outlets and who do not engage in mail order sales or other indirect sales.

Generally, as far as traders using website are concerned, they ought to consider including statements making the geographical boundary of their prospective target audience quite clear unless they do not intend to sell anywhere (in which case they must ensure that there are no conflicting trade marks anywhere else.) See *Euromarket Designs* case (supra).

4.0 CONCLUSION

Trade mark as a property is the right vested in the proprietor like every other right that a property owner has in relation to its property. Applying mark to material is very important in trade mark, as when marks are applied to materials, this distinguishes the origin of the product.

5.0 SUMMARY

Trade mark as a property right vests equal rights in the proprietor like other property owners. The application of mark to materials was discussed in this unit along with its

impact on the internet market.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the right of a proprietor in a trade mark as a property.
2. With the aid of decided authorities, explain the case of *Euromarket Designs Inc v. Peters and Crate & Barrel*, as it relates to advertisement on the internet.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007)
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Trade Marks Directive
- Trade Mark Act 1990

MODULE THREE

Unit 1

Passing Off

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Definitions and Nature of Passing Off

3.2 Scope of Passing Off

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

Passing-off is a cause of action that is primarily founded in torts and is historically rooted in common law. It is a cause of action that has undergone dramatic changes over the years but still potent in protecting the entrenched rights in areas to which it relates.

The law of passing off is a law that protects both the consumer and the trader from an unhealthy competition. Common law protects trademark and grants reliefs and injunction to the trader whose goods or services have been passed off once it is proved.

It is of paramount importance to note that passing off takes different dimensions some of which will be discussed. The reputation of a company or trademark, name, logo or material is derived from the goodwill of the company. For this reason, the law protects all these items from unhealthy competition in order to protect the economic interest of the company.

2.0 OBJECTIVE

The objective of this unit is to define the tort of passing off as it relates to goods and services. This will include a discussion on the nature of passing and the scope of the concept as it relates to the goodwill of the passed off trademark or design.

3.0 MAIN CONTENT

3.1 Definition and Nature of Passing Off

Passing Off is a tort and can be described as the common law form of trademark. It can also be described as a [common law tort](#) which can be used to enforce [trademark](#) rights. The tort of passing off protects the [goodwill](#) of a trader from a misrepresentation that causes damage to the [goodwill](#).

Passing Off gives a trader an opportunity to acquire protection through use of a brand name, logo or trade name or indeed any symbol which has been used in the course of trade to indicate the origin of goods in such a way that it has achieved public recognition.

The main function of passing off is the protection of consumers against origin confusion. It can also be used to protect traders against unfair competition or misappropriation.

In *Trebor (Nigeria) Ltd v. Associated Industries Ltd* (1972) NMLR 60, the court held that the fundamental rule is that one man has no right to put off his goods for sale as the goods of a rival trader.

Business goodwill is protected by passing off which may be associated with a particular name or mark used in the course of trade. This area of law is wider than trademark law in terms of the scope of marks, signs, materials and other aspects of a trader's right that can be protected.

Reputation and goodwill are often used interchangeably but it is really in connection with goodwill that passing off is concerned. It is possible to have a reputation without goodwill. However, the existence of reputation without any associated goodwill may be fatal to a claim in passing off.

The preservation of goodwill is the prime concern of passing off but in doing so, the protection of consumers rights is also considered. See *Plix Products Ltd v. Frank M Whinstone (Merchants)* [1986] FSR 63.

It is important to reiterate that in passing off, goodwill would have been established by one trader with another trader trying to take advantage of that goodwill, to cash in on it to the detriment of the first trader.

The owner of the goodwill has a property right that can be protected by an action in passing off. In passing off the property right is not a right in the name or mark but that it is the right in the reputation or goodwill of which the name or mark is the badge or vehicle.

Passing off may overlap with other rights, especially trademark and copyright, and given set of circumstances may give rise to an action involving two or more different rights. In *Visual Connection (TVC) Ltd v. Ashworth Associates Ltd* {Unreported} 14 January 1986, the claimant sued for infringement of copyright in photographs and for passing off resulting from the use, by the defendant, of the photographs, representing his business as that of the claimant. See also *Columbia Picture Industries v. Robinson* {1987} 1 Ch 38.

The general rule for determining the date at which goodwill should be assessed in a passing off action is the date that the defendant's acts, in respect of which complaint is made, commences. In *Inter Lotto (UK) Ltd v Camelot Group Plc* (2004), the claimant started using the unregistered trade mark 'HOTPICK' during August and September 2001. The defendant, responsible for running the national lottery under license from the National Lottery Commission (the NLC), caused the NLC to register 'HOTPICKS' as a trademark and the application was duly filed on 17 October 2001 but it was not used by the defendant until around July 2002. The claimant opposed the trademark application. The Court of Appeal, dismissing the defendant's appeal, held that the relevant date was the date the use of the trade mark by the defendant commenced.

3.2 Scope of Passing Off

The scope of passing off is quite wide and it can protect unregistrable business names, unregistered trademarks, advertising and generally anything that is distinctive of the claimant's goods and services or business.

It is important to note that passing off has no express use or mention of a trade name, mere implication is adequate. See *Copydex Ltd v. Noso Products Ltd* (1952) 69 RPC 38.

Passing off is in relation to trade in goods. It applies equally to services as well. The use of another's name in relation to the provision of services could also be actionable as passing off. See *Harrods Ltd v. R. Harrod Ltd* (1924) 41 RPC 74.

Trade does not have to be primarily associated with commercial enterprise. It has been accepted that a charity too, is capable of possessing goodwill distinguishable from commercial goodwill which is equally entitled to legal protection through an action in passing off. In *British Diabetic Association v. Diabetic Society* (1996) FSR, the defendant charity was restrained from using its name, such use amounting to a deception calculated to injure the reputation and goodwill of the claimant charity.

Passing off may also occur in the use of individual's names or personality without his permission. See *McCulloch v. Lewis A May Ltd* (1948) 65 RPC 58. In *Irvine Talksport Ltd*, it was accepted that falsely implying that a celebrity was endorsing a product was actionable under passing off.

Passing off goes beyond the type of mark that is registrable as trade mark and can apply in respect of containers and packaging. In *Reckitt & Colman Products Ltd v. Borden Inc* (1990) 1 All ER 873, it was held that the law of passing off protected the Jif Lemon, which is a plastic lemon coloured and shaped receptacle in which the claimant lemon juice was sold.

The law of passing off does not stop short at containers. Even the shapes or appearances of the article itself may be protected. See *Hodgkinson and Corby Ltd v. Wards Mobility Services Ltd* (1995) FSR 169.

Passing off can go further in the subject matter of protected and can protect, in principle, anything associated with goodwill such as a method of doing business or a theme used in advertising. See *Cadbury-Schweppes Pty Ltd v. Pub Squash Co. Pty Ltd* (1981) 1 All ER 213.

Distinctiveness is important to success in a passing off action. Where the use of number is at issue, the individual circumstances may be highly relevant. In *Law Society of England and Wales v Griffiths* (1995) RPC 16, the claimant had launched a 'phone in' advice line in respect of accidents and personal injuries. The telephone number was 0500-192939. The defendant who was not part of the claimant's scheme set up one of his own and obtained and used the telephone number 0800-192939. It was held that there was a serious issue and granted an interim injunction to the claimant.

If passing off by one trader is to damage another trader's interests in the goodwill he has acquired, it should be reasonable to assume that there should be some overlap in the geographical location and extent of the catchment area of their respective businesses.

Goodwill may also vary depending on the geographical area under consideration. See *Associated Newspaper Ltd v. Express Newspaper* (2003) FSR 909.

Goodwill has an expansive geographical range. It may be in relation to activities in a different country. In *Maxim Ltd v. Dye* (1977) 1 WLR 1155, the claimant, an English company, owned a world famous restaurant in Paris known as 'Maxim's'. The defendant opened a restaurant in Norwich and also named it 'Maxim's'. It was held that the claimant had goodwill in England derived from the business in France which might be regarded as being prospective. See also *McDonald's Corp v. MacDonald's Corp and Vincent Chang* (1997) FSR 760. In many cases the reputations of large multinational organizations precede them as they expand their activities into other countries. In this sense, reputation must equate with goodwill because if the reputation is harmed, the consequence is that, once established in those other countries, turnover there will also be harmed.

4.0 CONCLUSION

The major issue behind the concept of passing off is goodwill built over the years and once another trader passes off the name, mark or even container or packing, it causes harm to the reputation of mark passed off one.

The law of passing off is designed to prevent misrepresentation in the course of trade to the public. See the Nigerian case of *Niger Chemist v. Nigerian Chemist* (1961) All NLR 171.

5.0 SUMMARY

In this unit we were able to discuss the definitions of passing off and the nature of the concept. We also shed more light on the concept passing off through the scope of the industrial property tort of passing off.

6.0 TUTOR MARKED ASSIGNMENT

1. In defining passing off, read and summarise the definitions offered in *Reckitt & Colman Products Ltd v Borden Inc* (1990) 1 All ER 873 and *Ervin Warnink BV v Townend & Sons* (1979) AC 731.
2. With the aid of decided cases, describe the ways by which passing off may be used to protect trademarks and other symbols used in the course of trade.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property* (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).

- Helen Norman, Intellectual Property University of London Press (2005).
- Gilbert Kodilinye and Oluwole Aluko, The Nigerian Law of Torts (Second Edition) Spectrum Law Publishing (1999).

Unit 2

Elements of Passing Off

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Goodwill (Reputation)

3.2 Misrepresentation

3.3 Damage

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The existence elements of passing off are germane to the success of an action in a passing off suit. This unit will discuss these elements in the next few pages.

The function of passing off is to protect the consumers from origin confusion which as already stated, is germane to the success in an action in passing off.

The success of the tort of passing off depends largely on the three elements that must be present before the tort is actionable.

2.0 OBJECTIVE

The objective of this unit is to discuss the three elements of passing off, that is, the ingredients that make the success of a passing off suit. The three elements of goodwill, misrepresentation and damage must be proved by the claimant for the action to succeed.

3.0 CONTENT

Elements of Passing Off

It is important to note that a man is not to sell his own goods under the pretence that they are the goods of another trader. The law would restrain one trader from passing off his goods as being those of another trader.

There are three elements, often referred to as the Classic Trinity, in the tort which must be fulfilled. In *Reckitt and Coleman Products v. Borden* (Supra) the House of Lords adopted the 'Trinity Test' in establishing the ingredients of 'passing-off' as follows:

- i. The claimant (that is the person alleging a breach of his right) must establish the goodwill or reputation attached to the goods or service in question and identify the circumstances under which the goods and services are offered to consumers;
- ii. The claimant must also establish that there has been a misrepresentation by the defendant which has caused or has the potential of causing the members of the public to believe that the goods or service emanate from the him;

- iii. Finally, the claimant must demonstrate that he has suffered or is really likely to suffer losses by the reason of the defendant's misrepresentation as to the source of defendant's goods or services, which seems to suggest that they emanate from the claimant.

For a person to be held liable in an action for passing-off, all the enunciated ingredients of the tort must exist at the same time within the particular circumstance(s) giving rise to the alleged infringement. Where the alleged act of infringement is adjudged to be calculated to deceive the members of the public, it is not required of the plaintiff to prove that the act has actually deceived some people. It is enough that under the circumstance(s), there was a possibility that potential consumers would be confused or deceived. See *Niger Chemist v. Nigeria Chemist* (Supra).

3.1 Goodwill (Reputation)

Lord Macnaghten gave a useful definition of goodwill in *Commissioner of Inland Revenue v. Muller & Co's Margarine Ltd* (1901) AC 217, where he described it as the benefit and advantage of the good name, reputation and connection of a business. He further described it as the one thing that distinguishes an old established business from a new business at its first start.

It is also very important to note that goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates.

Reputation on its own comes about through consistent use of the name, logo, material etc. There must have been a goodwill associated with a reputation which had been acquired by the claimant in relation to that name or style. In *Reddaway v. Banham* (1896) AC 199, the phrase 'Camel Hair Belting' used by the claimant from 1879 to 1891 was considered to have become distinctive of the claimants belting.

It is pertinent to reiterate that it is not possible to lay down a hard and fast rule as to the period of time taken to acquire protectable goodwill. This, it depends on the circumstances. If there is a great deal of commercial activity an advertising goodwill could be acquired in a relatively short period of time. In *Stannard v. Reay* (1967) RPC 589, court held that three weeks was sufficient to build goodwill in the name Mr. Chippy for a mobile fish and chip van.

It is generally, accepted that the date at which goodwill is required to be shown to exist is the date of commencement of the defendant's acts which are the subject of the complaint. See *Scandecor Development AB v. Scandecor Marketing AB* (1999) FSR 26.

Goodwill can exist even if the product or services to which it relates have not yet been made available but a momentous proportion of the public knew about the product or service because of a great deal of publicity. See *British Broadcasting Corp v. Talbot Motor Co Ltd* (1981) FSR 228.

The relationship between the goodwill and the product or service concerned may be influenced by the form of an advertising campaign.

Goodwill may be built up over a considerable period of time and transferred with the sale of the business with which it is associated.

It is important to note that goodwill in a product can be shared by a number of traders. In *Erven Warnink Besloten Vennootschap v. J Townend & Sons (Hull) Ltd* (1979) AC 731, the goodwill shared was in the name 'Advocat' describing a particular type of alcoholic beverage and that the goodwill was shared between the Dutch companies making the drink.

A goodwill which is shared between two businesses may have the effect of giving an impression that the businesses are bigger than they actually are. Where they share goodwill in their dominant trading names, care must be taken not to make changes to them which would amount to passing off.

Determining the identity of the owner of goodwill is a question of fact. In *Medgen Inc. v. Passion for Life Products Ltd* (2001) FSR 496, it was held that ownership of goodwill was a question of fact and that there was no presumption.

In the context of licence or distributorship agreement, where the licensor or manufacturer is based in another country which recognizes the law of passing off, it will be possible that

each will share goodwill but will own it on a territorial basis. A licence agreement or distributorship agreement will contain specific provisions dealing with the issue of goodwill and ownership. See *Electro Cad Australia Pty Ltd v. Mejati RCS SDN BHD* (1990) FSR 291.

Geographical names and descriptive words are likely to lack distinctiveness. It is usually difficult, if not impossible, for a trader to demonstrate that he has a goodwill associated with the word (s) in question. In *Office Cleaning Services Ltd v. Westminster Windows and General Cleaners Ltd* (1946) 63 RPC 39, the claimant unsuccessfully tried to restrain the defendant from using the trade name 'Office Cleaning Association'.

A trader using a goodwill is more likely to acquire goodwill if the word is not generally used in the trade in which the trader is involved. Note that whether a word is capable of supporting goodwill or not depends very much on its context.

In all, it is imperative to reiterate that a geographical name used by a trader could have one of three meanings. It could indicate that:

- the trader's goods come from that place
- the trader's goods are of a particular type associated with that place and, therefore likely to appeal to a particular taste
- it is the product of a particular trader. See *Barnsley Brewery Co. Ltd v. RBNB* (1997)

FSR 462.

3.2 Misrepresentation

Misrepresentation is an essential element in the tort of passing off. It is important to note that misrepresentation may come about in numerous ways such as by written, oral statement by implication or by similarity in appearance or presentation of goods or even from the presence of some object.

For a passing off to be actionable, the misrepresentation does not have to suggest that the defendant's business is that of the claimant. The misrepresentation or deception is not necessarily limited to an exact copy of a name or mark. Similarity sufficient to result in confusion will suffice.

Misrepresentation can take many forms. It may confuse as to origin of goods or services or the nature of the defendant's goods or services. It may also be made in words or pictorial or be implied in behaviour or that a trader has failed to disabuse customers about their mistaken beliefs, which may have been encouraged by the trader. See *Musical Fidelity Ltd v. Vickers* (2003) FSR 898.

A number of factors determine whether the misrepresentation is likely to confuse or not. In *Dawnay Day & Co Ltd v. Cantor Fitzgerald International* (2000) RPC 669, the defendant was a firm involved in financial services including broking which was totally unconnected with the claimant group of companies but which had acquired one of the group of companies, known as Dawnay Day Securities Ltd, confirming that the use of the Dawnay

Day name by the defendant would cause confusion and will be passing off. It was held by Lloyd J, that it would not be impossible not to conclude that the use by the defendant of the Dawnay Day name would be a plain misrepresentation.

A misrepresentation that is ineffective because the public see through it is not actionable in passing off because one important and fundamental requirement is missing, that is, in the absence of confusion there can be no harm to goodwill and, therefore no damage to the claimant.

It is also of paramount importance to note that giving a false impression that a celebrity is endorsing a product is likely to amount to passing off. In *Irvine v. Talksport Ltd* (2003) FSR 619, the defendant ran the radio station 'Talk Radio'. It mounted a promotional campaign which included photographs of Eddie Irvine, the Formula One Grand Prix racing driver. The photograph had been manipulated. It originally showed Mr. Irvine speaking on a mobile phone but was changed to a picture where he held a portable radio on which the words 'Talk Radio' were clearly visible. It was held that this gave the impression that he endorsed the radio station and this false representation was passing off. Product endorsement is very common and celebrities expect to be paid large sums of money for such activities. This was held by the Court of Appeal as it increased the damages paid from 2,000 pounds to 25,000 pounds.

Inverse passing off occurs where the defendant falsely claims that the claimant's goods are actually made by, or provided by, the defendant. In *Bristol Conservatories Ltd v. Conservatories Custom Built Ltd* (1989) RPC 455, the defendant's sales representative showed potential customers photographs of conservatories as a sample of the defendant's workmanship. The photographs were in fact, of the claimant's conservatories.

Inverse passing off may also be committed by implicitly encouraging others to think that one is associated or responsible for material created and belonging to another.

Misrepresentation can even extend to an act that implies that it is authorized or consented to by another person. See *Associated Newspapers (Holdings) Plc v. Insert Media Ltd* (1991) 3 All ER 535.

The great majority of passing off cases involve deliberate and calculated attempts to take advantage of the goodwill owned by another trader and associated with goods manufactured or sold by him or services supplied by him. A fraudulent motive is not necessary to a passing off action and, indeed, innocence is not a defence. The main thrust of the law of passing off is the protection of goodwill. See *Harrods Ltd v. Harrodian School Ltd* (1996) RPC 697.

Passing off is limited in a similar way in that there must be a common field of activities between the claimant and the defendant. There must also be some common ground. If there is no common field of activity, there can be no damage to the claimant's goodwill

because the public will not make a connection between the traders and their different field of activity. In *Grenada Group Ltd v. Ford Motor Company Ltd* (1973) RPC 9, it was held that the Grenada television group, famous for making the television serial coronation street, could not prevent the Ford Motor Company naming one of its cars the Ford Grenada, there was no danger of confusion because of the different fields of activity and there was no danger of the claimants goodwill being harmed.

3.3 Damage

Damage is the third element of the classic trinity. The claimant must establish that there has been or will be damage. The damage must be more than minimal, but need not be actual: a threat of damage will suffice provided all the other elements of passing off are established.

Damage may result in a number of ways and the dwindling in the claimant's goodwill may be caused by:

- lost sales because buyers confuse the defendant's product or services with those of the claimant.
- erosion, blurring or debasement of a name that is exclusive and unique and which is used by the claimant.
- indirect though invidious damage which prevents the claimant controlling and developing his goodwill in the future as he wished even though none would be deceived into thinking the defendant's product was from the claimant.

In *National Association of Software and Services Companies v. Ajay Sood* (2004) RPC 711, the High Court of Delhi decided, inter alia that the activity of phishing (misrepresentation that the sender of an e-mail was a legitimate organization to induce the disclosure of personal information) could give rise to an action in passing off.

As the essence of passing off is deception, the basic test is whether a substantial number of persons have been or are likely to have been deceived by the defendant's misrepresentation.

It is imperative to state that the use of a disclaimer may be an important factor in the court's determination of the question of damage to goodwill. If it is clear and effective, this will tend to suggest that substantial persons will not be confused. In *Arsenal Football Club Plc v. Reed* (2001) RPC 922, the defendant used a disclaimer making it clear that his Arsenal memorabilia had no association with official club merchandise.

Erosion of goodwill may be a possibility where inferior goods and services provided by the defendant are taken to be those of the claimant. In *Chocosuisse Union des Fabricants Suisses de Chocolat v. Cadbury Ltd* (1998) RPC 117, the name 'Swiss Chalet' was given by the defendant to a new range of bars of chocolate. The damage was that the exclusivity of the designation 'Swiss Chocolate' descriptive of chocolate made in Switzerland, would suffer.

A claimant must be able to satisfy the court that he has, or will suffer substantial damage to his goodwill. In this mere speculation will rarely suffice. Proof damage is not only important in quantifying damages to be awarded to the claimant but also it may be essential in demonstrating that there has been a misrepresentation calculated to injure the claimants goodwill. See *Tamworth Herald Co. Ltd v. Thomson Free Newspapers Ltd* (1991) FSR 337.

Evidence of damage may be carried out through trap and survey orders. Surveys are carried out for a number of reasons, however unless they are properly carried out, they will fail to impress the court, see *Imperial Group Plc v. Phillip Morris Ltd* (1984) RPC 293. Note that good statistical methods must be used coupled with complete openness and disclosure.

Trap orders are often used to provide evidence of passing off. See *Showerings Ltd v. Entam Ltd* (1975) FSR 45.

In executing a trap order, the claimant is representing himself as a bonafide customer. In this instance, if the defendant had been caught by a trap order, he should be put on notice immediately so that he can recall the facts clearly.

4.0 CONCLUSION

The classic trinity elements of passing off that is goodwill, misrepresentation and damage are important to the tort of passing off and that they must all be present before the tort can be actionable.

5.0 SUMMARY

In summary this unit has been able to explain and the learners have been able to learn the trinity elements of passing off as well as the purpose of each of the elements to the action of passing off. There have been a lot of common law to support these elements. We have discussed goodwill, misrepresentation and damage.

6.0 TUTOR MARKED ASSIGNMENT

1. Damage to goodwill is one of the requirements for a passing off action discuss with the aid of judicial authorities.
2. Goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Discuss with statutory and case laws.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).

- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Gilbert Kodilinye and Oluwole Aluko, *The Nigerian Law of Torts* (Second Edition) Spectrum Law Publishing (1999).

Unit 3

Character Merchandising

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Character Merchandising

3.2 Protection

3.3 Licensing of Trademark

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

Merchandising is an important industry. Generally there are goods by football clubs and other sporting organizations. The sale of memorabilia connected with celebrities, the endorsement of goods and services by famous people, and the way, in which a whole range of items can be used to promote films, concerts, tours and stars is also of importance to law.

A fictitious or fantastic character might be devised for a television series. A book, film or a computer game like Harry Potter, the Teletubbies, Kojak, and the Simpsons fall into this category. The person who devised this character or the person commissioning the design will want to maximize the financial return on investment involved.

These commercial activities have, as their foundation, contractual arrangements between the person or company owning a name or image and undertaking that is to make and sell goods on their behalf.

There are legal means available to protect the merchandiser against those who wish to free ride on the success of a particular name or image.

2.0 OBJECTIVE

The main objective of this unit is to discuss merchandising in general, and also to discuss the legal concept of protection under the various heads of intellectual property. In this unit attempt shall be made to discuss the licensing of trademark under character merchandising and its efficacy.

3.0 CONTENTS

Character merchandising is not a new phenomenon. Although the law tries to protect the licence in character merchandising, the sole aim is to give legal coverage to the economic rights of the licensor.

3.1 Character Merchandising

The word character merchandising was defined in *Lorimar Productions v. Sterling Clothing* (1982) RPC 395, by Van Dijkhorst J, as;

“...the use of characters, locations names, titles and logos from TV series feature films or other entertainment programmes for promotions and the sale of products and services”.

The court in that matter suggested that it is alleged that modern buying habits are highly responsive to image-related advertising. If carefully chosen merchandise is marketed in overt association with a popular film, TV series, celebrity, fictitious characters or the like, that merchandise will enjoy a greater consumer demand than could have been expected for the unadorned product.

The use of fictitious characters in order to sell ordinary items is known as character merchandising and is very popular, particularly with respect to children’s toys, games and stationery.

It is also important to note that character merchandising is not limited to fictitious characters. Many famous sportsmen and women and television personalities allow their names to be used for promotional purposes.

3.2 Protection

There are several means by which legal protection can be afforded to the merchandiser: copyright and design law, trademark, passing off and breach of confidence. Each will be discussed in this unit.

1. Copyright and Design Law

Copyright can give a fair degree of protection as long as the drawing is original. Copyright in this work will subsist in it irrespective of the artistic quality. Infringement will arise like where a representation of the character infringes the copyright in a drawing of that character. For example if a company wishes to sell a mug to which a picture of NOUNCIL has been applied by transfer printing, this will infringe the copyright in the original drawings of NOUNCIL.

If a doll or three dimensional figure is made, then the copyright in the drawings will be infringe. In *King Features Syndicate Inc v. O and M Kleeman Ltd* (1941) AC 417, the court held that the Popeye dolls infringe the cartoon drawings of the Popeye character.

Copyright does not protect the name of a fictitious character. It is also of no assistance to the production company that wants to promote the name of a film or television series through merchandising activities.

Copyright protection will be available if the personality is the owner of the copyright in the photographs and that photograph is applied to a range of goods or services without his consent.

2. Trademark

It is difficult to use trademark to promote character merchandising. This was confirmed in the case of *Holly Hobbies Trademark* (1984) FER 199, where the House of Lords stated that trademark law was not to be used to promote character merchandising.

There is difficulty in registering the name of a celebrity particularly if the person is no longer alive. The public may not perceive the name as indicating commercial origin rather they will think that the name simply commemorates the person in question. See *Diana, Princess of Wales Trademark* (2001) ETMR 254.

If a film company decides to make toys in the shape of one of its popular characters e.g. 'Headmaster' from 'Village Headmaster' then section 3 (2) (c) would logically prevent the registration of the shape as a trademark, because the item is a collectible.

3. Passing Off

Passing off may not be effective in the context of character merchandising because of the requirement of a common field of activity without which there can be no harm to the owner of the name of the character. In the absence of trademark registration, passing off would appear to be the most logical means of providing protection for a name.

It is important to reiterate that if the claimant makes films or television programmes, then the goodwill in that business is not diminished if a third party makes and sells merchandise. In *Wombles v. Wombles Skips* (1977) RPC 99, the creator of the WOMBLES (characters in a children's television programme who liked to clear up rubbish) was unable to prevent the defendant trading under the name *Wombles Skips* (a business specializing

in waste removal). The lack of a common field of activity meant that there was no harm to goodwill.

The law is changing as the Australian courts have displayed a more generous approach to the practice of character merchandising. In *Henderson v. Radio Corporation Pty Ltd* (1969) RPC 218, it was held that a common field of activity is not an essential requirement for passing off. See *Fido-Dido Inc v. Ventures Stores (Retailers) Pty Ltd* (1988) ATPR 40-235.

Essentially, the issue of passing off in relation to character merchandising is one of deceit. If the public is insufficiently aware of character merchandising, ordinary persons will not associate the use of the character with the origin of goods. See *Arsenal Club Plc v. Reed* (2001) RPC 922.

4. Breach of Confidence

The main aspect of breach of confidence which is relevant to merchandising is the extent to which celebrities can control the use of their image in the media.

A celebrity who is photographed in a public place may have little redress, unless that photograph is taken secretly. See *Naomi Campbell v. MGN* (2004) 2 WLR 1232.

3.3 Licensing of Trademark

Licensing of trademark for the purpose of character merchandising is usually to protect celebrities who wish to make money out of their image and the creators of films and

television programmes who wish to take advantage of the success of their work. They often register trademarks as the first step in merchandising process.

Once registration is obtained, the next step is to enter into series of trademark licenses with those who may wish to exploit the name or image in question.

4.0 CONCLUSION

Character merchandising is an important aspect of industrial property which has been exploited over the years. The idea behind character merchandising is the goodwill of the originator of the idea.

5.0 SUMMARY

In this unit, learners should be able to understand the definition of character merchandising as offered by Van Dijkhorst J in *Lorimar Productions v. Sterling Clothing* (Supra).

Also the protection of character merchandising under different intellectual property laws as offered by legislation and case law was discoursed alongside the licensing of trademark most especially by celebrities for use in character merchandising.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the meaning of character merchandising.
2. Write a summary of the different industrial property rights available to protect merchandising activities.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1988
- Trademark Act, 1994

Unit 4

Defences and Remedies of Passing Off

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Passing Off and Internet Domain Name
 - 3.2 Defences to Passing Off
 - 3.3 Remedies of Passing Off
 - 3.4 Malicious Falsehood
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

There are defences available to a defendant in an action in passing off. They range from damages to injunction and account of profit, just to mention a few.

The idea behind malicious falsehood is a tort that is related to passing off, and this could also be referred to as trade libel. Let's explain further that it is a tort that originated from

slander of title, most especially slander of goods and any false disparagement about a business.

2.0 OBJECTIVE

The objective of this unit is to discuss passing off and internet domain name and to explain the defences available to a defendant in a passing off action. Since the classic trinity of passing off has been established, it is imperative that the remedies available to the claimant, ranging from injunction to account of profit be discussed. IN this unit, malicious falsehood and the future of passing off will be discussed.

3.0 CONTENTS

3.1 Passing Off and Internet Domain

Any person may obtain an internet address (domain name) for his web page. There are generic top level domains (gTLDs) such as 'com', 'org' and 'net' and country code top level domains (ccTLDs) such as 'uk' (UK), 'ng' (Nigeria) and 'ge' (Germany).

Each domain name must be distinct from the other.

In the UK, a body called the Nominet UK allocates the addresses. It used to allocate names based on a first come-first served basis, and made no checks to see if the applicant or any others were entitled to any rights in the name. The body allocates names by automation without any human intervention and does not assess the legality of a registration, or require the declaration of a right to use or operate an opposition system.

The registration of 'harrods.com' initiated the first case in the UK on domain names. In *Harrods Ltd v. UK Network Services Ltd* (1997) EIPR D-106, summary judgment was given to the claimant and the defendant was asked to release the domain name 'harrods.com'. The name was registered to a person that had no association with the name.

The courts are prepared to use the law of passing off to protect the use of domain names with the hope of selling it to a company that already has rights in the name as a trademark or has already established substantial goodwill in the name.

In *Marks and Spencer Plc v. One in a Million Ltd* (1998) FSR 265, five actions were brought for summary judgment by the claimant with substantial goodwill against the defendants who were dealers in internet domain names who registered names to sell to potential users. The defendants were ordered to take the necessary steps to assign the domain names to the claimants.

It is possible that the look and feel of a website might amount to passing off. Even though the domain name has no connection with the aggrieved party.

3.2 Defences to Passing Off

The main defences will normally be that the claimant has failed to establish the element of the tort, that is, one of the classic trinity is missing. Defences to passing off are straight forward, and will be highlighted in this unit for easy understanding.

The defences to passing off action include but are not limited to the following;

- a. the claimant does not have *locus standi*.
- b. the defendant's activities have not harmed and are not likely to harm the claimant's goodwill associated with the name, mark or get up.
- c. the defendant is not using the name in the course of trade
- d. the claimant has not established the existence of goodwill associated with the name, mark or get-up in the course of trade.
- e. the defendant is making honest use of his name or company name.
- f. the claimant has acquiesced in the defendant's use of the name, mark expressly or impliedly granted the defendant permission to use the name or mark.
- g. the claimant is estopped from enforcing his rights under passing off because he has encouraged the defendant's act.
- h. the defence of no common field of activity, that is, the claimant and defendant are not in the same line of business.

And finally, the misrepresentation made by the defendant must be calculated to injure the claimant's business or goodwill.

3.3 Remedies of Passing Off

There are numerous remedies available to the claimant in an action for passing off and they range from injunctions (especially interim injunctions), damages or alternatively an account of profit. Additionally, an order may be granted for the delivery up or destruction of the article to which the name or mark has been applied.

Damages will usually be based upon the actual loss attributable to the passing off that may result from the loss of sales experienced by the claimant. Damages may also be calculated on a royalty basis, that is, based on the amount that would have been payable by the defendant if he had sought a licence to use the name or mark from the claimant.

A royalty basis could be applicable if it would yield a greater amount than that attributable to loss of sales. It will always be difficult to calculate damages resulting from a loss of sales and each sale by the defendant does not necessarily represent a sale lost by the claimant.

Passing off resulting from a false impression that a celebrity has endorsed a product may be determined on the basis of what that celebrity would normally charge as a fee for such endorsement. See *Irvine v. Talksport Ltd* (2003) FSR 619.

If the defendant's action infringes a trade or services mark as well as constituting passing off, the damages that may be awarded will not be cumulative.

3.4 Malicious Falsehood

This is a tort that is related to passing off and is sometimes referred to as trade libel. It could occur where someone publishes information that could be damaging to a trader's position or reputation.

The tort is wide ranging, having originated from slander and developed to include slander of goods and any false disparagement about a business.

It could include a false and malicious statement for instance, that a dismissed company director had broken into the company premises and stolen a cash box, was setting up a business of his own and was in breach of his fiduciary duty as accompany director.

Advertising puff and mere claims that one trader's goods are superior to those of another does not per se, amount to malicious falsehood. The statement complained of must refer to the claimant or his goods or services. In *Schulke & Mayr UK Ltd v. Alkapharm UK Ltd* (1999) FSR 161, the court held that for an action in malicious falsehood to succeed the follow three things must be shown;

1. that the statements were untrue (specifically false and not a mere puff)
2. that the statements were made maliciously, that is, without just cause or excuse.
3. and that the claimant had suffered special damage.

The basis of the action of malicious falsehood is the false statement made maliciously, that is, without just cause or excuse. These two ingredients, falsity and malice, are essential if the claimant is to succeed.

Other examples of trade libel include circulars suggesting that the claimant's goods were not genuine or selling one class of the claimant's goods as a different class which can also amount to malicious falsehood and passing off.

Malicious falsehood could be a possibility where a trader engages in comparative advertising in a way in which the stated facts concerning the other traders' goods are untrue or misleading. In *Compaq Computer Corp v. Dell Computer Corp Ltd* (1992) FSR 93, the defendant advertised using photograph showing its computers including prices and performances. This information was selected so as to show off the defendant's computer as being the best value. This information was found to be misleading, particularly as regards price.

At the interim stage, where malicious falsehood is in issue, and the defendant intends to plead justification, a court will not normally grant an injunction if the statements are not obviously untrue. See *Macmillan Magazine Ltd v. RCN Publishing Co Ltd* (1998) FSR 9.

4.0 CONCLUSION

The establishment and development of passing off is a typically common law method of protecting trader's rights. It is important for traders contemplating operations overseas, to seek registration of trade marks.

It is also pertinent to note that claimants should be careful as the registration of internet domain name, is important to any business because of technology advancement. The domain name registrars should also be more careful in accumulating registered names without use.

Remedies awarded by judges should be commensurate to the damage caused by the defendant.

5.0 SUMMARY

This unit has discussed the idea behind passing off and internet domain name. The learners should be able to explain the concept and purpose of domain name on businesses and the goodwill it has created for his business.

The defences available to the defendant have also been treated, and learners should be able to explain the defences and available case laws in this regard. The remedies as well have been discussed along with malicious falsehood.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain using relevant authorities, the factors which must be proved by a defendant as a defence for the action for passing off.
2. Explain the concept of malicious falsehood as explained in *Schulke & Mayr UK Ltd v. Alkapharm UK Ltd* by Jacob J in order to succeed in an action for malicious falsehood.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).

- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- N. Wood, *The Trouble with Domain Names* (1997)

MODULE FOUR

Unit 1

Design Law

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Contents
 - 3.1 Definition and Nature of Design Law
 - 3.2 History of Design Law
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Design law exists to protect that appearance of articles rather than the articles themselves. It is concerned with how things look. It is important that design law is a part and parcel of industrial property law which takes its principles from intellectual property law.

The underlying idea behind the law of designs is that it involves the two distinct elements of an “article” and / or a “product”. The law on designs has been described as multi-layered, complex and lacking in logic.

2.0 OBJECTIVE

The main objective of this unit is to discuss industrial design law as an aspect of industrial property law. Specifically, we shall discuss the definition and nature of industrial designs. Learners are expected at the end of the unit to be able to offer numerous definitions to the concept of industrial design.

In order to easily understand this concept, some history of the subject matter would be provided.

3.0 CONTENTS

3.1 Definitions and nature of Design Law

A design is an aspect of features applied to an article or product. It is not the article or product itself. In ordinary and normal usage the word design can be taken to mean a plan or a scheme, which may be written or drawn, showing how something is to be constructed, or how the element or an item or article is arranged.

Generally, designs may be for functional articles, such as a can opener, a pen a refrigerator or even a car stereo.

The word design has been defined by the Patent and Design Act in sec 12 to mean:

“Any combination of lines or colours or both, and any three-dimensional form, whether or not associated with colours, is an industrial design, if it is intended by the creator to be

used as a model or pattern to be multiplied by industrial process and is not intended solely to obtain a technical result.”

The UK Community Design Regulations defines Design in its Article 3(a) to mean :

“the appearance of the whole or a part of a product resulting from the future of, in particular, the lines, contours, colours, shapes, texture and /or materials of the product and or its ornamentation.”

For a design to pass for registration, the design must be original, though not commonplace, and must relate to features of shapes or configuration of an article. Design for which the appearance of a product to which it has been applied is new and where the design has individual character are within the scope of the registered designs.

Sec 13 (1) of PDA states that an industrial design is registrable if-

- (a) it is new; and
- (b) it is not contrary to public order or morality,

The law on Designs also protects creations of an aesthetic nature in which the aesthetic aspect is arbitrary, i.e. not dictated by the possible function of the object for which protection is sought. The protection period is highly variable from one country to another and is generally between 15 and 25 years, usually in the form of shorter, renewable periods.

3.2 History of Design Law

The law of design has a reasonably long history dating back to the latter part of the eighteenth century. In 1787, the first Design Act protecting designs was passed. This gave two months to designs applied for linens, cottons, calicoes and muslins. The origins of design law sprang from this.

Several other Acts were passed over the next few years and eventually, these were repealed and replaced by the Patent, Designs and Trademarks Act 1883. A previous distinction between ornamental and useful designs was removed and the duration of protection was set at five years. Later, the Patents and Designs Act 1907 increased the maximum term of protection to 15 years.

With the development of artistic copyright came problems of duplication of rights and the Copyright Act 1911, followed by the Copyright Act, 1956 which attempted to remove the overlap between a registrable design and artistic copyright. This was modified by the Design Copyright Act, 1968 which permitted dual protection to a design both as a registered design and under artistic copyright.

If a design is aesthetic it was subject to some other requirements, registrable under the Registered Designs Act 1949 and could be protected for 15 years. This has now been extended to 25 years. If the design was functional it was not registrable but could attract

artistic copyright through its drawings. This may last for the remainder of the life of the author plus 50years.

The law of designs was radically altered by the Copyright, Design and Patents Act 1988, both in terms of changes to the Registered Designs Act 1949 and the new unregistered designs right. The law prior to the coming into force of this Act remained relevant for designs which were created or recorded before 1 August, 1989.

In Nigeria, the Patents and Designs Act was introduced in 1968. The current legislation is the Patents and Design Act LFN Cap 344.

4.0 CONCLUSION

There are various definitions of the word design. The definition offered in the UK Patents and Designs Act, which is the same as the Nigerian Patents and Designs Act appears to capture the whole essence of the Phenomenon of Patents and Designs.

5.0 SUMMARY

Under this unit, you have learnt the various definitions of Design law as offered by various pieces of legislations and judicial interpretations. The history of the protection of Patents and Designs has been offered with a view to allowing an insight into the evolution of the legislation on protection of Patents and Designs in Nigeria and UK.

6.0 TUTOR MARKED ASSIGNMENT

1. Define the word design from legislative perspective.
2. Briefly give an historical view to the concept of design law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, Cap 344 LFN 2004.
- Community Design Regulations 2005.

Unit 2

Registered Design Rights

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Definition and Brief History of Registered Design Rights

3.2 Requirement for Registrability and Registration

3.3 Ownership and Dealings

3.4 Duration

3.5 Rights of Proprietor

3.6 Infringement and Exceptions

3.7 Defences and Remedies

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The importance of a registered design right in an industrial property cannot be overemphasized. Our main focus is the UK registered design right which is the most active

area amongst all industrial property regime. Some references would be made to other jurisdictions in this unit.

In Nigeria the PDA deals specifically with the registered design rights, without a different law for it like the UK and notably there are no provisions for the unregistered design rights like the UK.

2.0 OBJECTIVE

The main objective of this unit is to discuss the registered design right under the various statutes available to be used ranging from the PDA, RDA and CPDA just to mention a few. This unit will offer various definitions to the registered design right, and also the historical development of the concept. We shall also discuss the registration requirements and the concept registration.

Some light would be shed on the duration and renewal of the registered design right as well as the ownership rights of the design right. The infringement, defences and remedies to the concept will also be discussed.

3.0 CONTENT

3.1 Definition and Brief History of Registered Design Rights

An industrial design right is an [intellectual property](#) right that protects the visual design of objects that are not purely utilitarian. In s213 (1) of the CPDA, 1988 that design right is a property right which subsists in an original design. An [industrial design](#) consists of the

creation of a shape, configuration or composition of pattern or color, or combination of pattern and color in three dimensional forms, containing aesthetic value. See *Ocular Sciences Ltd v. Aspect Vision Care Ltd* (1997) RPC 289.

An industrial design can be a two- or three-dimensional pattern used to produce a product, industrial commodity or handicraft.

The registered design rights cannot apply to surface decoration which is specifically excluded from the registration processes.

The initial demand for a system of registration came from the textile industry, but now all manners of designs are registered. Some of the most common kinds of designs for which registration is applied include packaging and containers, recording, communication and information retrieval equipment and furnishing.

Registered designs were for some time governed by the same statute as patents and for a time trademarks. And the present the statute dealing with registered designs is the Registered Designs Act, 1949 otherwise known as RDA, which was amended by the Copyright, Designs and Patents Act 1988. The 1988 Act included a copy of the Registered Designs Act 1949. The merged 1949 Act was amended by the Registered Designs Regulations 2001 as from 9 December 2001. The changes were made so as to comply with Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on

the legal protection of designs which was designed to harmonise some aspects of the registered designs systems in Europe.

In Kenya, according to Industrial Property Act, 2001, an industrial design is defined as "any composition of lines or colours or any three dimensional form whether or not associated with lines or colours, provided that such composition or form gives a special appearance to a product of industry or handicraft and can serve as pattern for a product of industry or handicraft".

In India the India's Design Act, 2000 was enacted to consolidate and amend the [law](#) relating to protection of design and to comply with the articles 25 and 26 of [TRIPS](#) agreement. The new Act, (earlier Patent and Design Act, 1911 was [repealed](#) by this act) which now defines "design" to mean only the features of shape, configuration, pattern, ornament, or composition of lines or colours applied to any article, whether in two or three dimensions, or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction.

In Canada, the law is quite different from other commonwealth nations. Canada's Industrial Design Act 1985 affords ten years of protection to industrial designs that are

registered; there is no protection if the design is not registered. The Industrial Design Act (R.S., c. I-8) defines "design" or "industrial design" to mean "features of shape, configuration, pattern or ornament and any combination of those features that, in a finished article, appeal to and are judged solely by the eye".

Finally, in Nigeria, the Industrial Design is protected by the Patent and Design Act Cap 344 LFN 1990 otherwise known as PDA.

3.2 Requirement for Registrability and Registration

Registrability

The requirements for registrability of a UK registered design are similar to other countries, Nigeria inclusive:

- The design comes within the definition of design
- The design is new
- The design has individual character,
- None of the substantive grounds for refusal are present

Under the PDA, an industrial design is registrable if-

- (a) It is new; and
- (b) It is not contrary to public order or morality,

Design

A design can relate to part of a product only. This is important where other features of the appearance of the product are not new; do not have individual character or are otherwise

excluded. It is imperative to note that there is no express requirement for eye-appeal or aesthetic quality, it is clear that appearances are important requirements.

Novelty

A design must be new and have individual character. Sec 1b (2) states that a design is new if:

“ ...no identical designs or no design whose features differ only in immaterial details has been made available to the public before the relevant date.

However, the PDA 1990 also states in sec13 (3) that an industrial design is not new if, before the date of application for registration, it has been made available to the public anywhere and at any time by means of description, use or in any other way, unless it is shown to the satisfaction of the Registrar that the creator of the design could not have known that it had been made so available.

In Household Articles Ltd's Registered Design (1998) FSR 676, Laddie J stated that ...if all the differences between the prior art and the design in suit are immaterial or common trade variants then the design in suit

is deemed not to be novel. Immaterial details are features which make no significant visual impact on the design.

Laddie J held further that novelty did not have to be of a sterling or groundbreaking variety. He confirmed that novelty should be judged through the eyes of the ordinary

customer or trader in the relevant goods, in other words, by someone familiar with goods of all type. To be new, the design must not have been made available to the public before the relevant date. The relevant date is the date taken to determine whether a design has been made available to the public.

Individual Character

A design must also have an individual character alongside being new. Sec 1B (3) of the Patent Act, 1949 (UK) states that a design has an individual character if:

“...the overall impression it produces on the informed user differs from the overall impression on such a user by any design which has been made available to the public before the relevant date.”

The relevant date is that as for novelty, with specific provisions for modified designs and priority, the test of the informed user who can be considered to be a customer or other buyer, for example a person who buys the product as part of his employment duties and who takes a particular interest in the type of product concerned.

In *Woodhouse UK Plc v. Architectural Lightning Systems* (2006) RPC 1, Michael Fysh QC, offered the explanation that the informed user was a debutante to the pantheon of fictional English legal characters.

The informed user is also important in relation to infringement, where the alleged infringing design is not identical to the protected design.

In UK, a design may fail to be registered even if the design is new but on the basis of lack of individual character. This means that individual character applies where the design differs in material details over the prior art.

Other factors that may not avail registration include the emblems being contrary to public policy.

Registration

The person claiming to be the proprietor of a design is expected to make an application in form DF2A. The application must be accompanied by one or more representations as specimens of the design. The form also contains a declaration that the applicant believes the design is new and has individual character, subject to any partial disclaimer.

The registrar may allow the applicant to make any modification to the application as the Registrar thinks fit before the application is determined. The importance of determining the date an application is treated as having been made is that it determines the date on which novelty and individual character are assessed.

Sec 15 (1) of the PDA, states the procedure for registration of the design.

The basic rule is that a design is registered as of the date on which the application was made or treated as having been made.

3.3 Ownership and Dealings

The person creating a design is known as the author of that design and the rule is that the author is entitled to be the original proprietor of the design. If the design is commissioned for money or money's worth, the person commissioning the design is the original proprietor.

If a design is made by an employee in the course of employment then the employer is treated as the original owner. There is however a difference as regards first ownership between registered designs and copyright in that the commissioners of designs are automatically given the right of ownership of a registrable design. Usually, the person commissioning a design will be the proprietor of the registered design and will also be the owner of the design right.

An assignment of a registered design automatically carries with it an assignment of the design right, unless the latter is owned by someone other than the proprietor of the registered design. A person claiming to have an interest in a registered design must also show a corresponding interest in the unregistered design right where such right subsists in the design.

It is however, important to note that the register accurately reflects the true position as to proprietorship.

If the wrong person applies, it does not matter whether he is acting in good faith or not. The entry will be wrong (as will be the entry of any subsequent dealings). In *Woodhouse*

UK Plc v. Architectural Lightning Systems (Supra), it was held that an entry of the wrong person as proprietor should not be rectified and the only way forward was to cancel the registration. Causing a false entry to be made on the register is a criminal offence. However knowledge that the entry is false is required for this. Therefore, someone who deliberately applies to register a design knowing that he is not entitled to be the proprietor of the designs commits a criminal offence.

3.4 Duration

The initial registration period of a design is Five years and registration may be renewed for a period of second, third, fourth and fifth period of five years. Most designs have a limited commercial life and it is impossible for it to be renewed more than the third time, under s8 (1) of the PDA 1988. Under section 20 of PDA, 2004, registration of an industrial design-

- (a) shall be effective in the first instance for five years from the date of the application for registration; and
- (b) on payment of the prescribed fee may be renewed for two further consecutive periods of five years.

There is effectively a period of six months' grace, during which time the registration can be renewed without affecting its validity. Where there are two or more persons holding the design jointly, by the leave of the Registrar, the application for restoration can be made by any one or more without joining the others. The design is treated as if it had never expired.

3.5 Rights of Proprietor

The registered proprietor of a design has the exclusive right to use the design and any design does not produce on the informed user a different overall impression. There is little danger that the rights in two different registered designs will overlap. As with individual character, the degree of freedom of the author in creating the design is taken into consideration in determining whether a design produces a different overall impression on the informed user or not.

Where there are two or more joint proprietors, each is treated as the proprietor.

Consequently each has the full rights of a proprietor. The persons or persons registered as proprietor can, subject to the rights vested in others of which notice is entered on the register, assign, grant licences or otherwise deal with the design and give effectual receipts for any consideration for any such assignment, licence or dealing.

3.6 Infringement and Exceptions

The right in a design is infringed by a person who, without the consent of the registered proprietor, does anything which falls within the exclusive rights of the registered proprietor. Section 7A (1) RDA.

Section 226 CPDA, states that the owner has the exclusive right to reproduce the design for commercial purposes. See also the *Ocular Sciences Ltd v. Aspect Vision Care Ltd* (Supra).

Sec 25 of PDA, 2004 states that the acts that infringed the right of a patentee or design owner are infringed if another person, without the licensee of the patentee or design owner, does or causes the doing of any act which that other person is precluded from doing under section 6 or 9 of this Act, as the case may be.

It is also important to note that there are some acts that will not infringe the right in a registered design some of these are;

- an act done for private and non-commercial purposes
- an act done for experimental purposes
- an act of reproduction for teaching purposes
- the use of equipment on ships or aircraft which are registered in another country but temporarily in the UK.
- the carrying out of repairs on such ships or aircraft.

3.7 Defences and Remedies

A defendant may attack the validity of the registered design on one or more of the grounds for invalidity set out under section 22 of the PDA, 2004 and grounds for invalidity set out under section 11Z. Other defences may focus on the alleged infringement producing a different overall impression on the informed user or that the features of the alleged infringing products fall within any limitation on the rights of the proprietor.

Generally, most of the Acts on Design law do not specifically refer to Remedies of the registered design for instance, the Registered Design Act of 1949, the Patent and Design Act LFN 2004. The RDA, 1949 in section 9 makes it clear that injunctions and damages are possible remedies, while before its repeal, section 11B mentioned an account of profits.

An award of damages is not available if the defendant can show that, at the time of infringement, he was not aware and had no reasonable grounds for supposing that the design was registered. If damages are not available for lack of actual or constructive awareness of the right, section 9(2) makes it clear that an injunction still may be granted, an account of profit may also be available regardless of the defendant's lack of knowledge. Orders may also be granted for the destruction of or for the delivery up of infringing articles. See *Cow (PB) & Co. Ltd v. Common Rubber Manufacturing Ltd* (1959) RPC 240.

4.0 CONCLUSION

Registered design is an integral part of intellectual property that must be protected by all means possible. Learners should, from this unit, be able to give a definition of the phrase "registered design right". They should also be able to discuss the remedies available to the owner of the design.

5.0 SUMMARY

In this unit we have discussed the various definitions offered by various statutes. There is little or no assistance provided by case laws in this area of industrial property. Learners should now be able to offer definitions to the concept as offered by various statutes treated in this unit and also the history.

6.0 TUTOR MARKED ASSIGNMENT

1. What are the features that a design must have in order to be registrable.
2. Explain with statutory authorities and case law, the defences available to the defendant and remedies to the claimant in a registered design rights.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, LFN 2004.
- Registered Design Act 1949
- Copyright, Design and Patent Act 1988

Unit 3

Unregistered Design Rights

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Definition and Nature

3.2 Subsistence of Rights

3.3 Duration and Ownership

3.4 Assignment and Licensing

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The unregistered design rights in industrial property deal with functional designs. The Design Copyright Act 1968 brought the protection for this in the UK. The law relating to designs in Nigeria does not in any way offer protection for designs not registered in Nigeria.

In *British Leyland Motor Corp Ltd v. Armstrong Patents Co. Ltd* (1986) 2 WLR 400, it was seen to be important that persons buying complex products that need repairing during their life should be able to have access to a free market in spare parts, and this is a right in functional designs.

2.0 OBJECTIVE

The main objective of this unit is to discuss unregistered design rights in UK. This is practically an area that is protected in the UK but some jurisdictions, like Nigeria have not been able to do this. This unit will discuss the nature of the concept and the subsistence of the rights, the duration of protection and the ownership as it vests in the individuals who have partaken one way or the other in the design.

It will also go a step further to discuss the concept of assignment of the design and the licences that are available.

3.0 CONTENT

3.1 Nature of Unregistered Design Rights

A design having no eye-appeal for example an overflow pipe for a washing machine, has no form of protection *per se*. Until the 1968 Design Copyright Act, there was a gap in protection for designs which were primarily functional in nature.

Naturally, copyrights were recognized as providing protection for functional designs through the medium of drawings for 50 years after the author's death. See *Sifam Electrical Instrument Co. Ltd v. Sangamo Weston Ltd* (1973) RPC 899.

Thus it is important to note that unregistrable designs were given much longer protection for functional designs than the 15 years maximum then available for registered designs.

The design right is a property right that is subject to qualification requirements. No formalities are required. The right really applies only to designs for three-dimensional articles as surfaced decoration is excluded and is based on features of shape or configuration.

3.2 Subsistence of Right

For the design rights to subsist in a design, it must be original. The design must be fixed in some tangible form by recording it in a design document or by making an article to the design.

Design in this context means the design of any aspect of the shape or configuration of the whole part of an article, whether external or internal.

Configuration means the relative arrangement of parts of an article. In *Mackie Designs Inc v. Behringer Specialised Studio Equipment (UK) Ltd* (1999)

RPC 717, Pumfrey J, accepted that an economic circuit diagram was a design document (being either a drawing or a written description) for the purposes of the design right, and the designs itself were the components and their interconnections.

In *Baby Dan AS v. Brevi SRL* (1999) FSR 377, the Deputy Judge did accept, however that configuration could be a form of arrangement of elements such as the ribbing arrangement of a hot water bottle.

It is possible for the design rights to subsist in designs which are basic geometric shapes, such as a spiral. In *Sales v. Stromberg* (2006) FSR 89, Roger Wyand held that the shape of a sphere may be a commonplace design for a ball but not for a wireless receiver. It is possible that a design right subsists in a component as distinct from the design right in the assembled article.

It is pertinent to note that the design right does not subsist in some aspects of a design, under section 213 (3) CPDA. These aspects will be highlighted here:

- methods of principle of construction
- features of shape or configuration which
 - a) enable the article to be connected to, placed in, around or against another article so that either article may perform its .
 - b) are dependent upon the appearance of another article of which the article is intended by the designer (creator of the design) to form an integral part (the 'must match' exception)

- Surface decoration.

Generally, for a design right to subsist in a design it must be original. In *C& H Engineering v. F Klucznik & Sons Ltd* (1992) FSR 421, the Aldous J said that the word original should be given the same meaning as in respect of copyright, that is not copied but the independent work of the designer.

3.3 Duration and Ownership of Design Right

The duration of a design right is the end of the calendar year during which the right came into existence, the date is referred to as the end of the creation year.

The maximum length of protection for a functional design by way of the design right is 15 years from the end of the creation year. Where the design has been commercially exploited then the period will be less than that.

The owner of a design is given 10 years to exploit and the last five years licences are available as of right. Design rights will always expire at the end of a calendar year irrespective of the actual dates of creation or first exploitation.

Ownership

The first ownership is conditioned by the route to qualification and four possibilities exist, there being a one to one correlation between the qualifying individual or person and the first owner: The provisions as to ownership were considered in details in *Ultraframe (UK) Ltd v. Fielding* (2004) RPC 479.

Employee Designs

In cases of qualification by reference to the employer, the employer is the first owner of the design right. The meaning of employee has its well understood meaning of employment acting under a contract of service or apprenticeship. In *Secretary of State for Trade and Industry v. Bottrill* (2000) 1 All ER 915, Woolf LCJ, took into account the fact that factors such as the degree of control exercised by the company over the shareholder employee.

Commissioned Design

For a commissioned design to belong to the commissioner at first instance, it must be created in pursuance of the commission. In *Appeal Corps Ltd v. Cooper* (1993) FSR 286, it was held that the act of commissioning must come before the creation of the work, imposing an obligation to pay for the work, prior to its creation.

In respect of commissioned designs, in *Sales v. Stromberg* (2006) FSR 89, it was confirmed that an agreement to pay for a design provisional upon it being liked by the person alleging that it was created under a commission did not fall within the provisions for commissioned designs.

Designer as Trustee

Directors act as fiduciary agents for their company and trustees of the property of the company in their hands or under their control. See *Aveling Barford Ltd v. Perion Ltd* (1989) BCLC 626,

In *Ultraframe (UK) Ltd v. Fielding (Supra)*, the court held that a certain D held the design rights in trust for the company through whom he was operating his business at the time he created the designs.

Joint Designers and Joint Ownership

Joint first owners are possible where there is a joint design, being one created by two or more designers acting in collaboration where the contribution of each is not distinct from the other(s). A joint owner's contribution need not be in respect of recording the design but it has to be in relation to the design itself and it is not sufficient if it only relates to the manufacture of articles made to the design. In *Fulton Co Ltd v Grant Barnett & Co Ltd*, (2001) RPC 257, persons making mould for umbrella handles and sewing machinists making cases for the umbrella were working under the instructions of an employee of the claimant and were not, subsequently, designers in respect of the design right

3.4 Assignment and Licensing

Design rights can be assigned but this must be done in writing and signed by or on behalf of the assignor. The right can be also pass by testamentary disposition or by operation of law. Note that an assignment may be partial, limited to apply to not all the exclusive rights of the owner, or limited in terms of duration.

Licences may be granted by the owner and may be exclusive or otherwise. An exclusive licence must be in writing signed by or on behalf of the design right owner and an

exclusive licensee who have the same rights and remedies, except against the owner, as if the licence had been an assignment.

Licences are available as of right in relation to the design right during the last five years of the subsistence of the right.

4.0 CONCLUSION

This unit has discussed the concept of unregistered design right. This concept is available to UK citizens and the countries under the community designs right, but only available to citizen of other countries who have been resident in the UK for a considerable period of time.

5.0 SUMMARY

This unit has discussed the nature of unregistered designs right as highlighted by various legislations and also rights that accrue to the designers of the design from the course of employment, to commissioned work and also designs held in trust. Finally, we also discussed the duration of the design, and the rights in assignment and licence.

6.0 TUTOR MARKED ASSIGNMENT

1. Discuss the concept of ownership of an unregistered right in relation to the course of employment and commissioned design with the aid of case laws.
2. Licences are available as of right in relation to the design right during the last five years of the subsistence of the right. Discuss

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Registered Design Act 1949
- Copyright, Design and Patent Act 2004

Unit 4

Defences and Remedies of an Unregistered Design Right

Contents

1.0 Introduction

2.0 Objective

3.0 Contents

3.1 Rights of Owner and Infringements

3.2 Exceptions

3.3 Defences

3.4 Remedies

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The unregistered design right as we have discussed in the last unit stands to protect the unregistered design right of a functional design. This unit discusses the right of the owner, infringements, thereon the defences and the remedies available in other property rights.

2.0 OBJECTIVE

This unit is set out to discuss the second part of the unregistered designs right. It also discussed the rights of the owner of the design along with the infringement on those rights.

The exceptions will also be looked into, as well as the defences that the defendant can plead in the action and lastly, the remedies that the claimant can rely upon.

3.0 CONTENT

3.1 Rights of Owner and Infringements

The owner of a design right subsisting in a design has the exclusive right to reproduce the design for commercial purposes by making articles to the design, or by making a design document recording the design for the purpose of enabling such articles to be made.

Commercial purposes, however refers to things done with a view to the article in question being sold or hired in the course of business.

In *Baby Dan AS V. Brevi SRI* (1999) FSR 377, it was held that, where difference between the designs in question and earlier designs are small, making the degree of originality small, the claimant can only succeed if the difference between the claimant's design and defendant's design are close in comparison.

The general principle of infringement in copyrights apply to that of designs as well. That is there must be copying and causal connection. That is, the infringing design must have been copied directly or indirectly, from the first design. A close similarity coupled with an

opportunity for copying will often be sufficient to change the burden of proof. See *Sales v. Stromberg* (2006) FSR 89.

There two main infringements that will be discussed here, they are primary and secondary infringement.

Primary Infringement

The design right is infringed by any person who does anything without the licence of the right owner which is the exclusive right of the owner. In *C &H Engineering v. F Klucznik & Sons Ltd* (1992) FSR 421, it was that section 226 of CPDA required the owner of the design right to show copyright before infringement could be proved and in this respect the design right is similar to copyright. As design rights infringement depends on copying, the defendant will know what part or parts he has taken exactly or substantially.

Indirect reproduction also infringes, and it is immaterial whether any intervening acts themselves infringes. See *Squirewood Ltd v. H Morris & Co Ltd* (unreported) 1 April 1993.

Secondary Infringement

Secondary infringement occurs when a person, without the licence of the design right owner, does any of the following acts in relation to an article which is an infringing article and the person knows this or has reason to believe it to be so;

- a) imports into the UK for commercial purposes
- b) has in his possession for commercial purposes,

c) sells, hires or offer or exposes for sale or hire, in the course of a business.

In *A Fulton Co Ltd v. Grant Barnett & Co Ltd* (2001) RPC 257, it was held inter alia that the defendant was liable for secondary infringement as the defendant had reason to believe it was dealing with infringing articles.

3.2 Exceptions

It is not an infringement to copy features of a design that are excluded from the scope of subsistence of design right or parts of the design of an article that are otherwise not protected, because they lack originality. Other rights may be infringed like unregistered designs. If copyright subsists in a work which consists of or includes a design in which design right subsists, it is not an infringement of the design right to do anything which is an infringement of the copyright in the work.

During the last five years of a design right, licences are available as of right, the terms of licence of right, in default of agreement, shall be settled by the Comptroller.

3.3 Defences to Infringement

A person who has allegedly infringed a design may plead several defences. The best form of defence however is to attack the validity of the right.

Other defences include the following;

1. that right is not valid because the features copied fall within the exceptions.
2. that claimant's design did not originate from the designer or is a commonplace and therefore not original in that sense.

3. that design right has expired.

Assuming that the design is valid, other defences which might be raised by the defendant include:

- that claimant does not have *locus standi*
- that act does not fall within the scope of primary and secondary infringement
- that alleged infringement occurred before the right existed or after the right expired

Acquiescence is always a potential defence where the circumstances are such that the claimants have made it clear by his conduct that he has assented to the infringement and will not commence proceedings in respect of it.

As regards the limitation period, for tort it is six years from the date from which the cause of action arises. Where the infringement continues or is repeated, fresh cause of action will arise.

In *Farmers Build Ltd v. Carrier Bulk Materials Handling Ltd* (1999) RPC 461, the claimant knew that its rights were being infringed but decided to wait to see how successful the defendant's infringing machines were. This was held not sufficient to count as acquiescence even when the claimant and defendant continue to have a trading relationship during which the period the infringement was taking place to the knowledge of the claimant. The court held that the fairly modest delay by the claimant in bringing the action was not sufficient for acquiescence.

3.4 Remedies

An exclusive licensee has, except against the design right owner, the same rights and remedies as if he were the owner of the right.

The remedies available in this area of law are similar to all other intellectual property right. Damages, injunctions, accounts or otherwise are available to the claimant as they are in respect of the infringement of any other property right.

Under this head an award of damages is not available in the case of primary infringement, without prejudice to other remedies, if it is shown that, at the time of the infringement the defendant did not know and had no reason to believe that the design right subsisted in the design.

However, in the case of secondary infringement, a defendant who shows that the infringing article was acquired innocently by him or his predecessor-in-title will be liable only to pay damages not exceeding a reasonable royalty.

The court has discretion to award additional damages which are provided under section 229 (3) CPDA, using an identical formula to that used for copyright, that is, having regard to all the circumstances in particular, the flagrancy of the infringement and the benefit accruing to the defendant.

It is unlikely that additional damages will be awarded frequently in design right cases as, usually, normal damages or account of profits will be satisfactory.

4.0 CONCLUSION

In every matter on design law, all rights accruing to the claimant and defendant are present in an unregistered designs right like those available in registered designs rights.

5.0 SUMMARY

This unit has discussed the rights of the owner of design right, and also the infringement that the defendants could do against the design of the claimants as well as the defences available to the said defendants. The remedies that the claimant could get against the defendant are more the same with those available under other property rights.

6.0 TUTOR MARKED ASSIGNMENT

1. Discuss with decided cases some aspects of secondary infringement that the defendant can commit against the claimants design.
2. Explain the remedies available to a claimant in an unregistered design right action.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Copyright Design and Patent Act 2004

MODULE ONE

Unit 1

Law of Industrial Property

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definitions and Nature of Industrial Property Law

10.2 Historical evolution of Industrial Property Law

10.3 Types of Industrial Property Law

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

2.0 INTRODUCTION

Industrial property is an aspect of intellectual property, basically a protective right of an industrial property. It is important to note that it is also an invention like all aspects of industrial property. Note also that the major disparity between industrial and intellectual property is that copyright like all other industrial property right does not need filling.

Notably amongst the evolution is that it is a right that evolves like intellectual property rights that through the inventions of people but industrial property rights has limit to its life span unlike confidential information that has no life span for its protection.

The types of industrial property law like Patent, designs and trademark, there is also passing off and character merchandising in this area of law, which is industrial property in the law of intellectual property and protection of this set of laws is important.

2.0 OBJECTIVE

The main concern of this module particularly this unit is industrial property law where learners are however, expected to be able to distinguish between the areas of law that makes up the industrial property law like patent, trademark, designs just to mention a few, and that that makes of intellectual property in copyright law which stands as a distinguishing differences between the two.

The evolution of this right and also its protections cannot be overemphasized. They should also be able to explain extensively the types of industrial property law.

3.0 CONTENT

3.1 Definitions and Nature of Industrial Property law

Industrial Property is the term given to protective rights conferring an exclusive monopoly on exploitation and is obtained upon completion of filing and registration formalities.

Industrial property” is not rigidly defined, but only to the extent that it is a portion of the superordinate concept of intellectual property (intangible property) that excludes copyright. Industrial property takes a range of forms. These include patents to protect inventions, and industrial designs, which are aesthetic creations determining the appearance of industrial products. Industrial property also covers trademarks, service marks, layout-designs of integrated circuits, commercial names and designations, as well as geographical indications, and protection against unfair competition.

It is pertinent to note that they are patents for inventions intended to protect innovations of a technical nature, designs and models aimed at protecting inventions of an aesthetic nature, plant variety rights for protecting creations in the agricultural domain (e.g. new types of roses, new maize hybrids, etc.), and also trade-mark law, which reserves for the owner of the trade mark the designation under which goods and services are marketed.

There is no much difference between industrial property and intellectual property law the purpose of copyright law is to contribute to the development of culture that of industrial property law is to contribute to the development of industry. The main disparity between the two is that the former is a right that must be registered with a whole lot of formalities in that regard and has number of years for it to subsists in that regard while most of the intellectual property does not need registration like the trade secrets which will fall into public domain after the expiration of the registrable years.

The term “industry is used not only for the manufacturing industry, but for all kinds of businesses. Article 13 of the Paris Convention stipulates that “Industrial property shall be understood in the broadest sense and shall apply not only to industry and commerce proper, but likewise to agricultural and extractive industries and to all manufactured or natural products, for example, wines, grain, tobacco leaf, fruit, cattle, minerals, mineral waters, beer, flowers, and flour.” In that sense, it is not appropriate to interpret “industry” as (the manufacturing industry). They are also Intangible rights protecting the products of human intelligence and creation, such as copyrightable works, patented inventions, Trademarks.

3.2 History and Evolution of Industrial property law

Intellectual property had long been disregarded by jurists since the time of the Roman Empire. However, the fact that monopoly produces profits has been known since ancient times, and the intellectual property concept of granting exclusive rights could be observed in more than a few cases. For instance, it is well known that a cook who created a special recipe was granted a one-year monopoly on the recipe in the ancient Greek city of Sybaris in around 600 B.C. In this way, there were countless cases in various times and places where a monopoly was granted by governmental authority and the person who gained the monopoly earned profits in return. However, these were merely monopolies that were arbitrarily granted by the government, and though they brought profits to those who gained the monopoly, they were not conceptualized as property rights in the same sense as

those for tangible goods. Thus, although profits were actually made, they did not have the backing of any detailed legal theories. Not all of such monopolies were equivalent to intellectual property, but without a doubt such grants of monopolies were the harbinger of the later patent system.

Comprehensive patent laws can be traced to seventeenth-century England, and they have been a part of U.S. law since the colonial period. England was the first country where the first major steps towards an industrial society were taken.

This history dates back to the history of patent which was the first to evolve under the industrial property law and aspect of intellectual property law, a law meant to protect the inventions of artists and inventors unlike copyright.

The law concerning marks took a different course of historical development from patent law. Since ancient times, craftsmen had affixed some kind of marks to their products. However, unlike the present trademark right that has exclusivity, they were attached for different purposes such as for the craftsmen to indicate their ownership of their products⁴ or as part of regulation by the authorities or guilds. It may be possible to view these older types of marks as showing traits of the present trademark system, but the present system became significant only with the age of mass production and mass sales, and these pre-modern marks and present trademarks are hardly related to each other from the perspective of law.

3.3 Types of Industrial Property Law

The law of industrial property is a uniquely part of intellectual property law and there are some types of this law and they are:

- d. Patent
- e. Designs
- f. Trademarks

Briefly we will explain these areas of industrial property law, importantly they will be discussed in details in other modules and units of this work.

d. Patent

A patent is a set of exclusive rights granted by a state (national government) to an inventor or their assignee for a limited period of time in exchange for a public disclosure of an invention. The grant of patent effectively gives the inventor or more commonly his employers, a monopoly to work the invention to the exclusion of others for a period of time, not exceeding 20years.

And in the next unit and subsequent ones patent will be discussed extensively.

e. Designs

Design law is meant to protect the appearance of articles rather than the article themselves.

Notably the underlying idea behind it is that it involves two distinct elements: an article or product (which under the new law which need not be mass produced) and some added ingredient – a design feature which enhances the appearance of the article.

f. Trademark

This is a diverse aspect of industrial property law which encompasses several area like passing off and character merchandising.

It has been difficult to ascribe a definition to the word Trademark, as it evasive and has no precise meaning but the word mark and sign was defined in the act, while the dictionary offered a concise definition to the word. The heading will be discussed extensively in other modules of this work.

4.0 CONCLUSION

In conclusion industrial property law is an exceptional aspect of intellectual property law which its main function is to protect some inventions of people.

It is also very important to note that industrial property law is an arm of intellectual property law, which the discussion of the former will not be meaningful without the mention and explanations of the latter.

5.0 SUMMARY

This unit has discussed the industrial property law generally ranging from its definitions and the nature of the concept. Also the historical development of the industrial property

law was also discussed. Finally in this unit the types of the property law was briefly highlighted for the purpose of familiarization with the learners for a better understanding if they are discussed in details in other units and modules of this work.

6.0 TUTOR MARKED ASSIGNMENT

1. Briefly explain industrial property law.
2. Outline the types of industrial property law.

8.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).

Unit 2

Patent Law

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definition and Nature of Patent Law

10.2 Historical development of Patent Law

10.3 Justification for Patent Rights

10.4 Practical Consideration for Patent

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

8.0 INTRODUCTION

The law of patent relates to new industrially applicable inventions. The law patent is all and mostly about the protection of inventions. It is however pertinent to note that it is of paramount importance for industrial property law.

Its history dates back to the seventeenth century and it protects the work of an inventor from being invaded upon. The grant of a patent effectively gives the inventor, or more commonly his employer, a monopoly to work the invention to the exclusion of others for a period of 20 years. Note that the invention might concern a new or an improved product.

It is important to note that the invention must be new and involve an inventive step, that is, it must be more than merely an obvious application of technology. Furthermore, the invention must be capable of industrial application and must not fall within certain stated exclusions.

9.0 OBJECTIVE

The purpose of this unit is for students of this subject to be able to describe extensively patent and laws relating to the protection of the aspect of industrial property law by giving the definition and the nature of patent.

It is also important to give an insight into the historical background of patent law, which is the fundamental of industrial property law. Pertinently, it is germane for students to describe the justification for patent rights. This is also very important for the protection of patent.

The practical steps an inventor or investor must take in the patent office, learners should be able to describe the steps extensively as outlined by the Patent Act of 1977 (UK) and the

Patent and Design Act of 1990 in registering a patent, and these steps in order of preference should also be outlined.

10.0 Contents

10.1 Definitions and Nature of Patent Law

A patent is a set of exclusive rights granted by a state (national government) to an inventor or their assignee for a limited period of time in exchange for a public disclosure of an invention. The grant of patent effectively gives the inventor or more commonly his employers, a monopoly to work the invention to the exclusion of others for a period of time, not exceeding 20years.

Note that the invention must concern new or improved products. Due to the strength of this form of property right, high standards are required, the invention must be new and it must involve an inventive step that is it must be more than merely an obvious application of technology. Furthermore the invention must be capable of industrial application and must not fall within certain exclusions. Note generally that patent law uses property rights to stimulate private investment in new and useful and non obvious technologies.

The term patent usually refers to a right granted to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof. The additional qualification utility patent is used in the United States to distinguish it from other types of patents (e.g. design patents) but

should not be confused with utility models granted by other countries. Examples of particular species of patents for inventions include biological patents, business method patents, chemical patents and software patents.

3.2 Historical Development of Patent Law

It is pertinent to note that England has a prime place in world history and has actually set the mould for patent rights internationally. It is without doubt that patent has an important role to play in the industrial revolution. The origin of patent can be seen emerging in late mediaeval times. *Letters patent* were open letters with the Kings Great Seal on the bottoms granting rights, often to foreign weavers and craftsmen allowing them to practice their trade and overcoming guild regulations which suppressed competition.

And the first of such letters patent were granted in 1311 to John Kempe, a Flemish weaver who wanted to practise his trade in England one of the earliest recorded instances of a patent.

Patents have existed for many years and were by no means exclusive to England. Patents in the modern sense originated in 1474, when the Republic of Venice enacted a decree that new and inventive devices, once put into practice, had to be communicated to the Republic to obtain the right to prevent others from using them. This actually influenced the Tudor monarch who saw the system of monopolies as a way of raising revenue.

There was criticism of the over use of patent by Queen Elizabeth 1 which led to a lot of legal battle (Darcy v. Allin) case of monopolies (1602)11 Co Rep 84b, a case which involved a monopoly for the making, importation and selling of playing cards. The patent was held invalid as being inter alia a common law monopoly.

Conversely, where the monopolies resulted in the acquisition of new technology, the courts were prepared to uphold the grant as valid see (Clothworkers of Ipswich) case (1615) (Godbolt 252). These two cases led to the enactment of the statute of monopolies 1623 by the parliament who were dissatisfied and regard monopolies as bad.

However, section 6 of the statute gave recognition to patents as an exception to the general rule against monopoly.

Initially there was no written requirement for the description of invention to be provided by the applicant, but this gradually became common practice.

Like many areas commercial law, the law of patent was primarily shaped by the nineteenth century events. Legislation was concerned exclusively with procedural improvements to the patent system thereby responding to the effect of industrial revolution.

Until the early part of the twentieth century, patent application were not searched for novelty, it was basically a deposit system, with applications simply being checked for satisfactory completion.

The Act that governs patent law is the 1977 Patent Act, since the coming into effect of this Act the letters patent are no longer issued instead a certificate from the Comptroller - General of Patents, Designs and Trade Marks is provided. And the maximum time was extended to 20years.

However, the patent law is governed in Nigeria by the Patent and Designs Act Cap 344 LFN 1990 and the duration for a patent in Nigeria is also for 20years which is governed by section 7 of PDA 1990, so a patent expires at the end of its 20years. The Act in Nigeria follows suit that of England of 1977.

10.2 Justification for Patent Rights

Naturally an inventor owns a property right in his invention. And what the patent system does is to guarantee a limited term of protection in return for the inventor's agreement to disclose details of his invention and ultimately to abandon his property right in it.

Note generally that the conventional justification for a patent system is that the inventors and investors are rewarded for their time, work and risk of capital by the grant of a limited though strong monopoly. Eventually, depending on how long the patent is renewed, any one will be free to put the invention to use.

In the words of Jeremy Bentham who argued that because an invention is a great deal of time, money and effort also included a large risk. Therefore the proprietor of a patent is

likely to use this economic privilege to his advantage and the resulting product will be priced accordingly, subject to market forces.

Note that the issuance of patent is not against public interest it is indeed in public interest that patent monopolies are enforced. See *Chiron Corporation v. Organon Teknica Ltd* (No 10) (1995) FSR 325 @333.

It is imperative to note that, a patent therefore is not necessarily a licence to print money, and a great deal of market research and economic judgment is essential before embarking upon the development of inventions, note also that most inventions are granted to corporate organizations and more so the days of eccentric inventors are by no means gone and simple and easily developed inventions are still a possibility, such as the Biro ball point pen or reflecting roadstuds ('cats eyes').

The presence of a strong and effective patent system may bring numerous benefits such as the dissemination of information and providing an incentive to invest in the development of new products and processes which will eventually fall into the public domain.

Note generally that obtaining a patent is expensive and takes a long time. It could be agreed that the system favours large wealthy corporation which have the deep pockets required to acquire patent and defend them on a global scale.

3.4 Practical Consideration for Patent

This is an essential area of obtaining a patent for an invention by an inventor or an investor whichever comes first. These are the practical considerations that must be fulfilled before a patent can be granted.

5. Filing Date

This is the date when the application is received by the patent office and the application must indicate the full names and address (s3 (1) (a) (i)) of the Patent and Design Act 1990 and s14 of the Patent and Design Act 1977. Then in addition file one or more claims and then pay the prescribed fee and also request a search and pay the search fees.

Note that filing date is essential in patent because it will be used to determine the duration of the patent. That is the 20 years maximum period available starts to run from the filing date.

6. Specification

This is an essential part of the requirement for filing. The specification must contain a description of the invention, one or more claims together with any drawings required to illustrate the inventions. S3 (1) (a) (ii) of the PDA 1990.

The specification should also be sufficiently detailed so that a person skilled in the art can work the invention that is put into effect. See *Van der Lely NV v. Bamfords Ltd*, (1963) RPC 61.

7. Claims

The application will include a statement of the claims defining the invention for which protection is required. The purpose of the claim is to define the limit of the monopoly and therefore they must be very carefully drawn up.

In *Electric & Musical Industries Ltd v. Lissen Ltd* (1939) 56 RPC 23 and *Glaverbel SA v. British Coal Corp* (1995) RPC 255, the function of the claims is to define clearly and with precision the monopoly claimed so that others may know the exact boundaries of the area in which, if they venture therein, they will be trespassing.

8. Abstract

This is simply a concise summary of the matter contained in the specification, normally not exceeding 150 words. It must also indicate the technical field to which the invention belongs and should be clear about the technical problem and give some idea of the solution to that problem and the principal use (s) of the invention.

4.0 CONCLUSION

Patent is the protection that is available to an inventor after his money, time and skill have been used in the course of the work concerned. A patent therefore is not necessarily a license to print money, and a great deal of market research and economic judgment is essential before embarking upon the development of inventions.

Patent is a way of acquiring monopoly right, that encourages research and invention, it also induces an inventor to disclose his invention, also offers a reward for the expenses of

developing inventions and finally provides inducement to invest capital in new line of production.

7.0 SUMMARY

The word patent has been defined in this unit and its nature was not left out of the explanation of the concept. The history of the patent was also well expatiated. And the justification of the patent rights was also not left out of this discuss and the practical consideration of getting a patent was also discussed in this work, particularly this unit.

8.0 TUTOR MARKED ASSIGNMENT

3. Summaries the historical development of patent.
4. Explain in outline the procedure of granting patent.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977

Unit 3

Patentability

Contents

- 8.0 Introduction
- 9.0 Objective
- 10.0 Contents
 - 10.1 Novelty
 - 10.2 Inventive steps
 - 10.3 Industrial Application
 - 10.4 Exclusion from Patentability
- 11.0 Conclusion
- 12.0 Summary
- 13.0 Tutor Marked Assignment
- 14.0 References/Further Reading

1.0 INTRODUCTION

There are certain criteria's to be fulfilled before an invention is said to be patentable. That is it can be pass for protection under the law, or where there is an action for infringement.

There are four main basic requirements for patentability that is Novelty, inventive step, industrial application and exclusion from patentability. It is however pertinent to note that

all four requirements must be fulfilled in an action for patent or before granting a patent protection for an invention. The first three are positive and the last which is excluded from subject matter.

It is important to explain the requirement of inventive step and that of an invention being capable of industrial application and lastly the criteria of exclusion from patentability.

2.0 OBJECTIVE

The main objective of this unit is for learners to be able to discuss the word invention which is the main criteria in a patent right and also the requirement for patentability, that is from novelty to inventive step also industrial application and finally to exclusions from patentability.

3.0 CONTENT

Generally, the word invention will be discussed in this unit before moving to the criteria of patentability. We will first and foremost define the word invention.

The word invention has not been offered a major definition by the Patent Act 1977; and also the Patent and Design Act Cap 344 LFN 1990. However a dictionary meaning has been ascribed to the word. Advance learners dictionary has defined invention as “an imaginative design, or product or innovation or something produced for the first time.”

Sec I of PDA, 1990 describes the kind of an invention that will be patentable.

Schmookler J, (1986) *Invention and Economic Growth*, Harvard University Press

subdivided invention into two Main categories that is process invention and product invention.

Process inventions are new ways of producing something old and product inventions are old ways of producing something new. Note that invention is a term of art in patent law and is used in a special way which may vary according to the particular context.

In *Chiron Corp v. Organon Teknika Ltd* (No 12) 1996 FSR 153, where it was said that an invention is simply the outcome of satisfying the patentability criteria.

3.1 Novelty

Generally for a novelty to exist in an invention then the invention must be new and whether the invention is new has been ascribed a special meaning under the Patent Act 1977 sec 2(1) and PDA 1990 sec 1(2) (a) which state that an invention is new, if it does not form part of the state of the art. And sec 2(2) and sec1(3) respectively describe the state of the art as means everything concerning that art or field of knowledge which has been made available to the public before the priority date of the invention either by written or oral description anywhere and at any time whatever by use or in any other way.

The meaning of “the public” in this sec 2 was further explained by Aldous J, in *PLG Research Ltd v. Ardon* (1993) FSR 197, to form part of the state of the art, the information given must have been made available to at least one member of the public who was free in law and equity to use it. Hence in *Union Carbide/Atmospheric Vaporiser* (1991)EPOR 373,

novelty was not destroyed where an invention located on private property was viewed through a fence.

However, in a claim for patent there are two main issues to be viewed that will be viewed critically that is; Prior Art and Anticipation.

3. Prior Art

In *Merrell Dow v. Norton* (1996) RPC 76 (Per Hoffmann J, in consequence what amounts to the prior art requires an understanding of how information can be made available. Information can be obtained through documents and goods supplied. In *Synthon v. Smithkline Beecham (No 2)* (2003) RPC 769@ para.49, where Aldous J, is of the view that

.....“the antecedent statement must be that a person of ordinary knowledge of the subject would at once perceive, understand and be able practically to apply the discovery without the necessity for making further experiments and gaining information before the information can be made useful. If something remains to be ascertained which is necessary for the useful application of the discovery that affords sufficient room for another valid patent.

It is important to note that prior use of a later claimed invention may be by the patentee, as in *Gore v. Kimal* (1988) RPC 137, where samples of PTFE tapes were supplied to customers before the filling date of the patent.

Note that if a device is demonstrated in the public, if this contains enough information to carry out the later invention then novelty will have been destroyed, not if those present were not able to observe how the device worked. See *Quantel v. Spaceward Microsystems* (1990) RPC 83.

4. Anticipation

Anticipation is a technical term which means the prior art matches exactly the subject matter (i.e the claim) of the later patent so as to render it not new.

If published material does not adequately describe what is claimed there can be no loss of novelty. It is also important that a prior publication which deals with a different problem to the one dealt with in the patent application could still amount to anticipation. See *Molins v. Industrial Machinery Co. Ltd*, (1938) 55 RPC 31 this is a case law under the old UK law.

It is imperative to note that having a similar use of prior art will not necessarily anticipate a patent, especially if the purpose is somewhat different. In *Haberman v. Jackel International Ltd*, (1999) FSR 683, prior art consisting of two patents for feeding bottles did not anticipate a patent for a training cup.

The test of enabling disclosure is very precise, so that if the earlier information does not contain every single integer of the claim, then the invention is new.

3.4 Inventive Step

This is a major feature that forms part of the requirement of patentability, it is important that the invention must be obvious before it can pass for patentability. Generally an

invention must involve an inventive step, sec 3 of Patent Act, states that sec 3 applies when the invention is not obvious to a person skilled in the art having regard to all matter forming part of the state of the art, but not including matter from patent applications with earlier priority dates which is published later than the priority date of the invention.

In *General Tire & Rubber Co. v. Firestone Tyre & Rubber Co Ltd* (1972) RPC 457 where it was held that the word obvious does not require more than its dictionary meaning of very plain.

The word person skilled in the art is simply someone with a wide knowledge within which the invention lies. In *Intalite International NV v. Cellular Ceilings Ltd (No 2)* (1987) RPC 537, conversely if the invention is not obvious to skilled and inventive persons, it must involve an inventive step.

Oliver J, postulated a test for obviousness in *Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd*, (1985) RPC 59 being:

6. Identify the inventive concept in the patent in suit
7. The court then assumes the mantle of the normally skilled but unimaginative address in the art at the priority date, imputing to him what was at that priority date, common general knowledge in the art in question
8. Identify what, if any, differences exist between the matter cited as being 'known and used' and the alleged invention;

9. The court then asks itself the question whether, viewed without any knowledge of the alleged invention, those differences constitute steps which would have been obvious to the skilled man or whether they require any degree of invention.

In *Glaxo Group Ltd's Patent* (2004) RPC 843 where Pumfrey J, noted that the skilled person does not represent some sort of lowest common denominator of persons actually engaged in the field, possessed by the knowledge and prejudice of all of them can be said to possess. It is also important to note that invention may lie in the idea of taking a step from the prior art but argue that an invention is not obvious unless there is some motivation to take that step is not necessarily relevant.

Note that it is imperative that the notional skilled worker does not have inventive ability, but he does have knowledge common to the particular art. In *Beloit Technology Inc. v. Valmet Paper Machinery Inc.* (1997) RPC 489, where Aldous LJ, accepted that the notional skilled man may not have the advantage of the facilities available in some large corporations with extensive library facilities and patent department.

In *Pfizer Ltd's Patent* (2001) FSR 201, Laddie J, discussed the nature of the skilled but non inventive man in the art which suggests the notional skilled worker has more extensive knowledge of the prior art. He also pointed out that whilst the real worker might miss some of the prior art, the notional skilled man never does.

There are two main knowledge's when it comes to a skilled person that is: public knowledge that is knowledge that is known by some, perhaps a few only. Also common general knowledge.

It is imperative to note that there is a process known as mosaicing, it is a process used to attack the validity of a patent by showing whether it is obvious. It is a process that consists of piecing together several unrelated bits of information in different documents which, when combined are capable of showing obviousness.

In *Technology Printed Circuits Ltd v. Mills & Rockley (Electronics) Ltd* (1972) RPC 346 @355, when dealing with obviousness, unlike novelty, it is permissible to make a 'mosaic' out of the relevant documents, but it must be mosaic which can be put together by an unimaginable man with no inventive capacity.

When obviousness has to be determined retrospectively, commercial success and long felt want can be used as good evidence of non obviousness and would stand as secondary issues in this regard. Therefore commercial success as an indicator of obviousness must be treated cautiously.

The correlation that the proprietor hopes will be confirmed by commercial success is that the invention cannot have been obvious because it clearly satisfies a demand and that demand would have been long since been satisfied had the invention is obvious.

In *Molnlycke AB v. Procter & Gamble Ltd (No 3)* (1990) RPC 498 where Mummery J, said that whether an invention was obvious was something which must be considered technically or practically rather than commercially.

It is important to state here that courts should be wary of being seduced by evidence that the invention has been very successful but it can be useful if it is accompanied by evidence of a long felt want.

3.5 Industrial Application

The last positive requirement of patentability is industrial application, which means that the invention is capable of industrial application. It is a requirement that demonstrates the practical nature of patent law.

It is important to note that the invention has to be something that can be worked industrially and to some extent distinguishes patent from other type of intellectual property. Sec 4 (1) of the Patent Act 1977, and sec 1(2) (c) PDA, 1990 that an invention is capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture.

In *C's application* (1920) 37 RPC 247, here an application in respect of an invention comprising a musical notation, in which sharps and flats were printed in different colours and sizes compared to natural notes was refused.

However, in *Chiron Corp v. Murex Diagnostics Ltd*, (1996) RPC 535, here a range of polypeptide encoded by a genome of Hepatitis C virus was claimed, it was held that it was capable of industrial application.

Finally note that industrial application can be equated with technical effect.

3.6 Exclusions from Patentability

This is the last and negative requirement of patentability. There are certain areas of life that are excluded from industrial application. It is important to note that the treatment by surgery or therapy, or diagnosis in relation to human and animal bodies is excluded because this is not considered to be capable of industrial application.

Sec 1(4) PDA 1990 and sec 4(2) and (3) of PA 1977 also contain a range of things that are excluded from patentability and these exclusions can be justified on lack of technical effects.

The list of excluded things are not exhaustive does not mean that a whole range of other things can be excluded by adding copiously to the list. See *Chiron Corp v. Murex Diagnostics Ltd*, (Supra).

A computer program is also one of the items excluded from the list.

9.0 CONCLUSION

In conclusion it is important to note that requirement for the grant or the claims of a patent must be satisfied by all means both positive and the negative. That is the invention must

novel in nature and must pass through the inventive step and must be industrially applicable and must not fall within the exclusive list.

7.0 SUMMARY

This unit has discussed the requirement of patentability from the novelty of an invention to inventive step and also to the industrially applicable aspect of the requirement. It is important to note that learners of this work should be able to explain all the items excluded from the list of patentability. It is also imperative to compare and contrast the Patent Act 1977 of the UK and the Patent and Design Act 1990 in Nigeria.

8.0 TUTOR MARKED ASSIGNMENT

3. List and explain the criteria for patentability
4. What is meant by the requirement of inventive step, and apply the test established in case law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 4

Ownership and Safety of Patent Law

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Ownership of Inventions

10.2 Employee Inventions

10.3 Dealing in Patents

10.4 Safety and Security of Inventions

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

4.0 INTRODUCTION

Ownership of patent might be an issue in an industrial property law transaction and this may result in dispute and it is important to ascertain who the owner of an invention is. The PDA, 1990 and the Patent Act of 1977 contains numerous provisions setting out the basic

rules on entitlement and procedures for determining who is entitled to a patent in a particular case.

As the case with intellectual property rights, patents can be dealt with in a number of ways like license, assignment or by way of mortgage. It is also important to note that certain transactions have to be registered; otherwise there may be problems with obtaining damages in infringement actions.

There are also provisions relating to safety and security which may result in restrictions or prohibitions on the publication of information or its communication to any specified person.

5.0 OBJECTIVE

The main objective of this unit is to ascertain the ownership of a patent and more so who is an inventor aside a proprietor. It is important that learners of this unit should be able to explain the dealings in patent from assignment to license and also mortgage and finally to be able to explain safety and security of an invention.

6.0 CONTENT

Generally the idea behind invention is always the efforts and inventive steps of certain set of people, these set of people are called the inventors, but it is important to note that it is not all the inventors of an idea that are the owners of a patent the owners are generally

referred to the proprietor of the invention, so this bring us to the main discussion of this unit.

3.1 Ownership of Patent

In determining the ownership of a patent then a distinction has to be made between the owner that is the proprietor and inventor of a patent. This brings us to the definition of an inventor which is been defined by s7 (3) PA, 1977 as the actual devisor of an invention.

There may be joint inventors of a work, but to determine who are the inventors then the first step is to identify the inventive concept.

The proprietor is the person to whom the patent is granted and who therefore has the right to work the patent. It is imperative to note that if the inventor is not the proprietor then he has a right to be mentioned as being the inventor in any patent granted and in any published work. Note that the inventor may however, waive his right to be identified or have his address suppressed.

Proprietorship

A proprietor is the owner of the work and not the inventor, note that the inventor can also be the owner of the work. Primarily, patent will be granted to the inventor or joint inventors, except where someone else has a better entitlement to it through an enactment.

To facilitate patent applications there is a rebuttable presumption that the person making the application is entitled to the grant of the patent, note that anyone challenging entitlement has the burden of proof.

Where there are two or more proprietors of a patent, their ownership is equivalent to ownership as tenants in common, that is they are each entitled to an undivided share in the patent. Sec 36(1) PA 1977. And if one of them dies his share passes under his will or by intestacy and does not automatically pass to the remaining owners.

In the joint ownership of a patent each may 'by himself or his agent' do for his own benefit without the consent of the other or others any act which would otherwise infringe the patent, and this is subject to any agreement to the contrary. See *Henry Brothers (Margherafelt) Ltd v. Ministry of Defence and Northern Ireland Office* (1997) RPC 693.

3.2 Employee Inventions

The PDA 1990 and PA 1977 deals with the employee invention in details. S130 (1) PA defines an employee as being a person who works or worked under a contract of employment or in employment under or for the purposes of a government department or a person who serves or who has served in the naval, military or air forces of the crown. The PDA did not define the term.

By s 39 PA and s2 (4) PDA an employee invention belongs to the employer in the following circumstances: the invention was made in the course of the employee's normal duties as an employee or in the course of duties specially assigned to the employee.

However, in other circumstances aside during the course of employment then the invention belongs to the employee. Note where an employee makes a document or drawing for his employer in the course of employment, where this represents a preliminary, though perhaps not essential, step to an invention made later to which the employee is entitled.

It is important to note it would not normally apply where a clerical worker working for a manufacturing company devised an invention which improved his employer's assembly line and which had nothing to do with the employee's normal duties and in respect of which he had not been assigned any relevant specific duties.

In *Electrolux v. Hudson* (1977) FSR 312, where Falconer J, declared that a storekeeper who made improvements to a vacuum cleaner was beneficially entitled to the patent, it was not the employee's job to invent and the clause in his contract requiring him to hand over all inventions was unenforceable.

Note that compensation can be awarded where the invention is for the employee during his course of duties.

3.5 Dealing in Patents

Patents are classified as personal property and can be dealt with the same way as other forms of personal property. It may be dealt with by way of assignment, licensing either exclusive (an exclusive is one conferring, to the exclusion of all others including the proprietor or applicant any right in respect of the invention to which the patent or the

applicant relates.) or non-exclusive, it may also be mortgaged or vest by operation of law like in other form intellectual property. Note that a patent can be subject of compulsory licensing. Patent application may also be dealt with this is due to the length of time before a patent is granted.

Where there are two or more proprietors of a patent or application for a patent the consent of all of them is required for a license, assignment or mortgage. Note that the assignment, licensing or mortgage of patent must be written and signed by or on behalf of the assignor or mortgagor.

It is however important to register transactions on patent such that, first the result is that registration of acquisition of property in a patent or an application defeats earlier transactions, instruments or events that have not been registered, and secondly the subsequent proprietor of the patent or an exclusive licensee may be unable to obtain damages or an account of profits for any infringement of the patent.

Licenses as of Right

The proprietor may at any time after the grant of the Patent, apply to the comptroller to indicate that licenses as of right are available in respect of the patent. Notice must be given by the comptroller to any person registered as having a right in or under the patent and shall make the entry provided he is satisfied that the proprietor is not precluded by contract from granting licenses. S46 PA, 1977 and s 10 PDA, 1990.

Imperatively, if any person desires to take up the offer, the license terms shall be as agreed between the parties or falling agreement, upon such terms as may be settled by the comptroller on the application of either party.

Note that entry that license are available as of right may be cancelled by application of the proprietor.

Compulsory License

Compulsory licenses are licenses under which others may work the invention against the wishes of the proprietor of the patent. S11PDA, 1990

It has always been argued that there is a danger that the proprietor of a patent will abuse the monopoly granted to him. For example, an inventor Damina, develops a non starchy garri and obtains a patent for it, Brigdeson Garri Ltd, a manufacturer of starchy garri offers a large sum of money to Damina for an assignment of the patent, to which he agrees.

Bridgeson then suppresses the invention and does not put it to use preferring to continue making starchy garri.

Compulsory licenses not only cover situations where a patent is not being worked, but also are available in other circumstances such as where demand for a product is not being met on reasonable terms. Compulsory licenses cannot be granted until after three years from the last date of the grant of the patent, after which any person may apply for a license

under the patent and for an entry to be made on the register to the effect that licenses are available as of rights.

It is also important to note that if the comptroller has to settle the terms for a license as of right or a compulsory license he should do so with the view to securing, inter alia, that the proprietor of the patent receives a reasonable remuneration having regard to the nature of the invention and this would be done by considering what a willing licensor and licensee would have agreed upon as a reasonable royalty to be paid for the rights granted under the license as of right. See *Allen & Hanburys Ltd's (Salbutamol) Patent (1987) RPC 327*.

3.4 Safety and Security of Patent

It is of paramount importance to note that where an application for a patent is filed and it appears to the comptroller that it contains information of a description notified to him by the Secretary of State or state security agency as being information of which might be prejudicial to national security, the comptroller may give directions prohibiting or restricting the publication of that information or its communication to any specified or group of persons.

4.0 CONCLUSION

It is however of particular importance to stress that ownership of patent is essential in registration of the invention and also to be able to categorically distinguish between the inventor and the proprietor if they are not the same person.

Note also that dealing in patent is similar to dealing with copyright as it is passed through license, assignment and mortgage, one distinguishing difference is the compulsory license that is peculiar to patent.

Finally, the issue of state security and safety cannot be overemphasied in granting patent, in so much that any invention that will disturb the safety and security of the nation can be rejected.

5.0 SUMMARY

In summary this unit has been able to discuss the issue of ownership of patent that is the inventor and the proprietor of an invention. Then the role of an employee in the cause of employment in invention cannot be ignored as they are important to invention in the cause of their employment.

The dealing of the patent from license of right to compulsory license, then assignment and mortgage cannot be overemphasied and learners should be able to discuss this issue extensively. The role of the state should be discussed with particular reference to the fact that the state can compensate an inventor, if his invention is denied registration for state safety.

6.0 TUTOR MARKED ASSIGNMENT

1. Distinguish with the aid of statute and case laws ownership of a patent and the inventor

2. Compulsory license is a peculiar aspect of patent. Discuss?.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 5

Infringement, Defences and Remedies of Patent Law

Contents

- 4.0 Introduction
- 5.0 Objective
- 6.0 Contents
 - 6.1 Patent Infringements
 - 6.2 Categories of Infringing Act
 - 6.3 Defences to Patent Infringement
 - 3.4 Remedies to Patent Infringement
 - 3.5 Revocation of Patent
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

2.0 INTRODUCTION

Patent infringement is not measured in terms of whether a substantial part has been taken, but there are difficulties where the invention has not been taken in its entirety by an alleged infringer, or where some feature of the invention has been changed.

It is imperative to note that the scope of the infringing acts and the stated exceptions to infringement strive to achieve a balance between the interests of the proprietor and those of others including competitors.

Patent actions often involve challenges to the validity of the patent concerned and proprietors (or exclusive licensees) must be prepared to defend their patent.

Note however that there are also some criminal penalties associated with patents.

2.0 OBJECTIVE

The main objective of this unit is to discuss the infringement of patent, the defences to an alleged infringer and also the remedies available to a proprietor in that regard.

However, it is important to note that the comptroller can revoke the patent for acts detrimental to the public and the state.

3.0 CONTENT

Infringement, defences and remedies will be extensively discussed in this unit and the issue of choice of court cannot be left out of our discussion. It is also pertinent to note that these issues are important to the industrial property law topic of patent.

The choice of court for industrial property as well as intellectual property issues cannot be overemphasized, in Nigeria the courts that are court of first instance for industrial and intellectual property issues are the Federal High Court of Nigeria having its division in every state of the federation.

In England, they are designated courts for industrial property issues particularly as it relates to patent, they are patent courts which are court of first instance.

3.1 Patent Infringement

An infringement has been defined by s60 PA, 1977 as the doing of any of the following things in the UK in relation to the invention without the proprietors consent.

- e. Product Invention
- f. Process Invention
- g. Process Invention
- h. All Inventions

While s25 PDA, 1990 also defines it as the rights of a patent owner are infringed if another person, without the licensee of the patentee owner, does or causes the doing of any act which that other person is precluded from doing under section 6 of this Act, as the case may be.

It is important that when proving infringement, the burden of proof lies with the claimant and it is the claims in the specification that are important rather than the products actually made by the claimant.

In a product invention the claims must be compared to the defendant's product. See *Buchanan v. Alba Diagnostics Ltd* (2001) RPC 851. Also in *Pioneer Electronics Capital Inc v. Warner Manufacturing Europe GmbH* (1995) RPC 487, the claimant has a patent for a

process for making optical discs. There were some intermediate steps, including making stampers from which the discs could be mass-produced. It was held that the defendant had not infringed the patent because none of his discs was a direct product of the patented process and that a causal link, however important was not sufficient.

Note that where the invention is a process, it may be infringed by the use of another process which occasionally extends into the parameters covered by the patent. See *Hoechst Celanese Corp v. BP Chemicals Ltd* (1998) FSR 586.

However, in the infringement of supplying the means, this could occur where one person supplies another with a kit of parts of the latter to assemble. Note that this infringement does not apply to the supply or offer to supply.

Declaration of non-infringement

An application is made by an applicant to the court or the comptroller of patent for a declaration of non infringement, in the absence of any allegation of infringement made by the proprietor if the applicant has made a request in writing asking for a written acknowledgement for such declaration and has furnished full particulars in writing.

Niche Generic Ltd v. Lundbeck A/S (2004) FSR 392,

The court has a general jurisdiction to grant declaration of non infringement, as well as application for revocation.

In the United States, it is usual practice to use documentation in the US Patent and Trademark office file as an aid to construing the claims of a patent. Note that the proprietor will be estopped from denying any statement and concession made therein and it is known as 'file wrapper'.

Evidence

In declaration of non-infringement the claimant carries the burden of proof. Note however, that he adduces the evidence and convince the court, on a balance of probabilities, that the defendant has infringed his patent.

Previously, fresh evidence would be admitted only if special grounds existed as stated by Denning LJ in Ladd v. Marshall and note that they are no longer a binding precedent.

It is important to note that it is very common to call experts to give evidence in patent cases, like in the issue of obviousness. And imperatively, there is a danger of repetitious evidence and calling too many experts witnesses who essentially say the same thing, note however, that the court does not decide a case by counting how many experts each party can get to say the same thing.

Title to Sue for Infringement

The proprietor or exclusive licensee has title to sue for infringement of a patent. Note that if a party to proceedings is found not to have title to sue he will be struck from the action, in

Bondax Carpets Ltd v. Advance Carpets Tiles (1993) FSR 162, here the third claimant was struck out from the action. His contract with the second claimant had nothing to do with the rights under the patent.

It is also imperative to note that one or more joint proprietor of a patent may bring an action for infringement without the concurrence of the others, but must be made parties to the proceedings.

3.2 Categories of Infringing Act

There are two categories that relates to infringement of patent and they will be outlined and briefly discussed here. And they are direct and indirect infringement.

c. Direct infringement

The following are acts that constitute direct infringement of patent and sec 60 of PA, 1977:

- It requires that the infringing conduct be done without the patentee's consent and within the UK (Menashe Business Mercantile Ltd v. Williams Hill Organisation Ltd (2003) RPC 575).
- And that it requires the infringing act be done while the patent is in force.
- It relates to process patents, knowledge is required, but only as regards the offering for use of the process, not using the process.

d. Indirect Infringement

It is important to note that conducts which amounts to infringement must be related to the patent and this is well spelt out in s60 (2) and they include but not limited to it:

- The conduct in question involves supplying or offering to supply something tangible.
- That something is an essential element of the invention.
- The result of the infringing act makes the invention work.

10.3 Defences to Infringement of Patent

A person sued for an alleged infringement of a patent has several and varied escapes routes. There are several defences available to a person who is been referred to as the infringer in a patent suit. It is imperative to note that there is also a defence available to a person who has worked the invention before its priority date, or made effective and serious preparation to do so.

The person might challenge the validity of the patent, claiming that it should be revoked because it has been anticipated or that it is obvious, or more rarely, that the invention is excluded matter as much as it lacks industrial application or its invalid for lack of sufficiency. The defendant could also claim that the patent has lapsed or expired or may challenge the claimants title to it or his right to sue.

Note that they are other defences to an infringement action:

- The act was done privately and for purposes which are not commercial
- The act was done for experimental purposes relating to the subject matter or the invention. See *Auchincloss v. Agriculture & Veterinary Supplies Ltd* (1997) RPC 649.

- The act was done in good faith by the defendant before the priority date of the invention.
- The act complained of is not an infringing act; it does not fall within the meaning of infringement.
- The alleged infringing products or process lacks novelty or is obvious. See *Gillette Safety Razor Co. v. Anglo-American Trading Co. Ltd* (1913) 30 RPC 456
- The defendant has a right to repair, sometimes referred to as an implied license. The existence and scope of the right to repair defence was questioned in *United Wire Ltd v. Screen Repair Services (Scotland) Ltd* (2001) RPC 439. Where this case made a distinguishing difference between repair and manufacture.
- The doctrine of estoppel and laches may apply.

10.4 Remedies to a patent infringement

It is imperative to note that the remedies available for infringement of a patent are an injunction, damages, an account of profits, an order for delivery up or destruction and a declaration that the patent is valid and has been infringed by the defendant. In this instance that is in patent remedies has been limited to damages and/or a declaration. In patent, the purpose of an account of profit is not to punish the defendant but to prevent his unjust enrichment. An account is limited to the profits actually made and attributable to the infringement and the claimant must take the defendant's business as it is. Accounts are rarely asked for in patent cases because of the complexity in quantifying them though, in

principle they are available during the period between publication and grant, as are damages. Read some of the principles applicable to an account of profit as been laid by Laddie J, in *Celanese International Corp v. BP Chemicals Ltd* (1999) RPC 203.

However, damages may not be available or may be limited if the patent is found to be partially valid only by s63. Note further that damages and cost may not be available at all unless the court or the comptroller is satisfied that the claimant has proved that the specification was framed in good faith and with reasonable skill and knowledge. See *Lubrizol Corp v. Esso Petroleum Co. Ltd* (1998) RPC 727.

It is imperative to note that there is a limitation on the validity of damages or an account of profits if a transaction, instrument or event by which a subsequent proprietor or exclusive licensee acquired his rights in the patent has not been registered promptly.

Where an injunction will be granted, it is important as a general that to note that where the validity of the patent and the infringement are conclusively established but of course, the grant of an injunction is discretionary. The purpose of an injunction is to prevent apprehended use of the patentee's statutory monopoly. As in *Coflexip SA v. Stolt Comex Seaway MS Ltd* (2001) RPC 182, where the court of first instance granted an injunction and was subsequently quashed by the court of Appeal on the ground that it suffered three deficiencies.

Finally in remedies, damage is one of the salient issues in remedies which may be given in lieu of injunction. Note that the calculation of damages can give rise to complex considerations. The principle for calculation was stated in *General Tire & Rubber Co. v. Firestone Tyre & Rubber Co. Ltd* (1975) RPC 203.

10.5 Revocation of Patents

The validity of a patent may be annulled by an application, by any person including the proprietor; it could also be by putting the validity of the patent in issue or to revoke the patent.

In *Cairnstores Ltd v. Aktiebolaget Hassle* (2002) FSR 564, here it was confirmed that any person could apply for revocation, the principle that any person can apply for revocation is founded on the basis that it is in the public interest to keep invalid monopolies off the patent register.

The grounds for revocation of patent have been enunciated in s72, PA, 1977 and s9, PDA, 1990 as follows:

- (a) if the subject of the patent is not patentable under section 1 of this Act; or
- (b) if the description of the invention or the claim does not conform with section 3(2) of this Act; or
- (c) if for the same invention a patent has been granted in Nigeria as the result of a prior application or an application benefiting from an earlier foreign priority.

It is imperative to note that a person whose application for revocation has been refused by the comptroller may apply to the court for revocation only with the leave of court, however where revocation proceedings has been commenced but there is subsequently a settlement and the proceedings are withdrawn, it appears that the comptroller still has the power to continue considering the matter by refusing to accept the withdrawal.

11.0 CONCLUSION

It is germane to the discussion of patent to discuss, infringement, defences available to an infringer, remedies available to an infringement and probably the issue of revocation in patent cannot be overemphasized. Imperatively, infringement of patent by a third party cannot go unpunished without the relevant remedies available to the patent owner.

12.0 SUMMARY

In summary, the unit has discussed infringement of patent , the categories of infringement and also the defences available to an alleged infringer and the remedies available to the patent proprietor have also been discussed. However, it is also important to note that revocation of a patent has been discussed.

13.0 TUTOR MARKED ASSIGNMENT

3. Explain and apply the principal defences to an action for patent infringement.
4. Explain the grounds on which a patent may be revoked.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Patent and Design Act, 1977
- Patent and Design Act 1990

Unit 6

International and National regulations of Patent law

Contents

4.0 Introduction

5.0 Objective

6.0 Contents

6.1 Paris Convention

6.2 The Patent Co-operation Treaty (1970)

6.3 The European Patent Convention (1973)

6.4 Patent Act, 1977

6.5 Patent and Design Act, 1990

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

The Paris Convention is an important and one of the first industrial property treaties. As a result of this treaty, intellectual property systems, including patents, of any contracting state are accessible to the nationals of other states party to the Convention.

It is however imperative to note that national and international conventions are germane to the development of patent in any nation, Nigeria not been an exception to this scenario.

In this unit we will discuss international and national conventions that regulate patent all over the world, United Kingdom and Nigeria as a nation.

The conventions are Paris Convention which is been regulated by the world intellectual property organization (WIPO), and other patent related conventions will be treated in this unit ranging from the Patent Co-operation Treaty (1970), The European Patent Convention (1973), then the community Patent, the Patent Act of 1977 and the Patent and Design Act LFN 1990.

2.0 OBJECTIVE

This unit is set to discuss international and national conventions regulating patent, from Paris convention been regulated by WIPO and the Patent Act, 1977 and the Patent and Design Act, LFN 1990. Learners should at the end of this unit be able to discuss conventions regulating patent.

3.0 CONTENT

3.1 Paris Convention

Prior to the existence of an international industrial property regime it was difficult to obtain protection for industrial property rights in the various countries of the world because of the diversity of their laws.

The origins of proposals for an international convention on the protection of industrial property were traced by Carl Pieper and Paul Schmid, in their history of the 1883 Paris Convention, here a diplomatic conference was held in 1880, the Convention was signed in 1883 by 11 countries: Belgium, Brazil, France, Guatemala, Italy, the Netherlands, Portugal, El Salvador, Serbia, Spain and Switzerland.

The Treaty was revised at Brussels, on December 14, 1900, at Washington, D.C., on June 2, 1911, at The Hague, on November 6, 1925, at London, on June 2, 1934, at Lisbon, on October 31, 1958, and at Stockholm, on July 14, 1967, and was amended on September 28, 1979.

The Convention now has 171 contracting member countries, which makes it one of the most widely adopted treaties worldwide. The Paris Convention is administered by the World Intellectual Property Organization (WIPO) based in Geneva, Switzerland.

This is a convention that regulates all industrial property right from patent to trademark and design.

3.2 The Patent Co-operation Treaty (PCT)

It is a convention established in 1970 and is been administered by WIPO and it creates a procedural mechanism in assisting the intending patentee who wishes to obtain protection in more than one state by enabling a single application to be made, which is then subjected to an international search and preliminary examination before being turned into a bundle of national applications for all PCT states unless the applicant opt out.

3.3 The European Patent Convention (EPC)

It is an instrument of the council of Europe in Strasbourg. Membership of this convention is open to any country belonging to the council of Europe, note that patent applicants need not be citizens of these states.

Once a patent is granted in this region, European patents are treated as national patents, so infringement actions are heard by local courts.

6.4 Patent Act 1977 (United Kingdom)

The Patents Act 1977 was enacted predominantly to give effect to the United Kingdom's obligations under international treaties namely the PCT, EPC and Community Patent.

This act introduced substantive provisions on patentability and as well as statutory definition of infringement derived from the proposed community patent.

The fact that the 1977 Act is influenced by international conventions has an effect upon its interpretation. Note that the United Kingdom courts are to have regard to how courts in other states to which those conventions apply.

6.5 Patent and Design Act (1990)

This is the legislation that regulates patent and design in Nigeria and it is an act that was drafted after the 1977 Patent Act of the United Kingdom. It is used primarily to regulate the registration and procedures relating to registration of patent in Nigeria.

4.0 CONCLUSION

It is however pertinent to note that international and national conventions regulating patent are important in the regulation of the said subject matter for efficient registration of patent both locally and international.

5.0 SUMMARY

In summary, we have discussed international conventions regulating industrial property that is the Paris Convention, and also the conventions regulating patent the PCT and the EPC, however it is also important that learners should be able to discuss the credence of Patent Act, 1977 and also that of the PDA, 1990.

6.0 TUTOR MARKED ASSIGNMENT

1. Briefly discuss international convention regulating patent.
2. Patent and Design Act 1990 how realistic are its provisions to registration patent in Nigeria.

7.0 REFERENCES/FURTHER READING

- Helen Norman, Intellectual Property University of London Press (2005).
- Paris Convention,
- Patent and Design Act, 1977
- Patent and Design Act 1990

MODULE 2

Unit 1

Trade Mark

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content
 - 3.1 Trade Mark
 - 3.2 Historical evolution of Trade Mark
 - 3.3 Nature of Trade Mark
 - 3.4 Functions of Trade Mark
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Trade Mark is a diverse and familiar feature in both industrial and commercial markets.

Trademarks have long been used by manufacturers and traders to identify their goods and distinguish them from goods made or sold by others

Marks are a very valuable form of intellectual property because they become associated

with quality and consumer expectations in a product or services. Note that for example some goods are synonymous with their trade name: like the soft drink Coca-Cola, Nescafe coffee, Cadbury chocolate and Levi Jeans.

It is however imperative to note that it is difficult to estimate the economic value of the power of symbolism in marketing. Example of symbolism here is also reinforced by the shape of the Coca-Cola bottle, which was designed to prevent the dissipation of the company image resulting from the variety of bottles Made.

A trade mark must be used or intended to be used in relation to certain goods or services.

2.0 OBJECTIVE

The main purpose of this unit is purely to discuss trademark. This will start by various definitions of the concept to the historical development of mark as a concept of industrial property which is also an arm of intellectual property.

This unit will also go further to discuss nature, functions of trademark.

3.0 CONTENT

3.1 Trademark

A trademark is a distinctive sign or indicator used by an individual, business organization, or other legal entity to identify that the products or services to consumers with which the trademark appears originate from a unique source, and to distinguish its products or services from those of other entities.

A trademark is typically a name, word, phrase, logo, symbol, design, image, or a combination of these elements. There is also a range of non-conventional trademarks comprising marks which do not fall into these standard categories, such as those based on color, smell, or sound.

The term trademark is also used informally to refer to any distinguishing attribute by which an individual is readily identified, such as the well-known characteristics of celebrities. When a trademark is used in relation to services rather than products, it may sometimes be called a service mark, particularly in the United States

The essential function of a trademark is to exclusively identify the commercial source or origin of products or services, such that a trademark, properly called, indicates source or serves as a badge of origin. In other words, trademarks serve to identify a particular business as the source of goods or services.

Trademark can be seen as serving two main purposes, first reflecting the fact that a registered trademark is an item of property, to protect business reputation and goodwill, while it also protect consumers from deception, that is to prevent the buying public from purchasing inferior goods or services in the mistaken belief that they originate from or are provided by another trader.

A trademark should act as a badge of origin. In the words of Lord Nicholls of Birkenhead in

Scandecor Development AB v. Scandecor Marketing AB (2002) FSR 122@ 33 the notion that distinctiveness as to business source (the goods of one undertaking) is the essential function of a trademark today.

The basis of trademarks is to show a connection between undertaking and their goods and services so as to distinguish them from other undertakings has important implications in terms of character merchandising and in relation to memorabilia.

It is imperative to note that the name, image or other mark is unlikely to serve the primary purpose of acting as a badge of origin and consequently, it will not satisfy the basic requirement for registration as a trademark.

3.2 Historical Evolution of Trademark

In trademark treatises it is usually reported that blacksmiths who made swords in the Roman Empire are thought of as being the first users of trademarks. Other notable trademarks that have been used for a long time include Löwenbräu, which claims use of its lion mark since 1383, and Stella Artois, which claims use since 1366. Another way of trademark is the branding of cattle to indicate ownership. Registered trademarks involve registering the trademark with the government.

Although the history has a long way, but the law regulating it is relatively young. An earlier example of an abuse is the case of Southern and How, (1618) Popham 143, here one clothier applied another's mark to his own inferior's cloth which gave rise to an action in

deceit.

However, it soon became clear that that this area of law needed clarification and pressure grew from traders for an effective statute which will provide for a system of registration, then the advent of the first statute which was the Trade Marks Registration Act 1875, which established a register for trademarks and which was extremely successful judging by the number of registration applied for.

The current statute is the trademark law of 1994 which represents a milestone in trademark law and it contains the most radical changes since the first trademark legislation in the United Kingdom. And the Nigerian traders got its trademark legislation ala carte and the current trademark law is the Trademark Act Cap 436 LFN 1990.

It is imperative to note that these legislations will be discussed later in this module.

3.3 Nature of Trademark

A trademark is an exclusive right, which confers on its owner the right to prevent someone else from making use of the trademark. Sec 2 of the Trademark Act 1994 (UK), declares that registered trademarks are personal property, in the same way that all other forms of intellectual property are classified as intangible rights. However, sec 26 of Trademark Act LFN 2004 talks about assignment and transmission of trademarks and this is only achievable when the subject matter is a property.

It is important to note that you can place a value on a trademark for the purposes of a

company balance sheet (the Coca Cola trademark has been estimated to worth \$60billion).

Note that once the trademark is removed from the register then the property right

vanishes. It can also be revoked by the comptroller for mismanagement by his owner.

Note that there may be both copyright and trademark rights in a pictorial mark and they

can also appear in a piece of music, as a tune as trademark. See *Shieldmark BV v. Joost Kist*

(2004) All ER (EC) 277. Note that just because a large amount of money has been expended

in the creation of an invented word trademark that does not mean it is capable of

protection as a literary work under the law of copyright. See *Exxon Corp v. Exxon*

Insurance Consultants International (1981) 3 All ER 241.

3.4 Functions of Trademark

It is imperative to note that the functions of trademark to industrial property can not be

over emphasized. There are four main functions of trademark that will be discussed here.

And it is also important to note that the function of trademark is peculiar to passing off and

the registrability, infringement and revocation of trademarks.

1. Origin Function

This is the first in the series of functions of trademark, and naturally the view of the origin

function of a trademark is that it tells the consumer about the commercial origin of the

goods they are about to buy. Note that it doesn't matter that the consumer doesn't know

the exact origin of the goods as long as the consumer recognizes the consistency of the

source of supply. *McDowell Application's* (1926) 43 RPC 313.

In *Arsenal Football v. Matthew Reed* (2002) ECR 1-10273, the court declared that the essential function of a trademark was to guarantee the identity of origin of the marked goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin.

The trademark must offer a guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking responsible for their quality.

2. Product differentiation function

The trademark in this regard enables consumers to choose between competing products that is they can distinguish the goods of one undertaking from those of others.

3. Guarantee Function

It is said that trademark fulfills guarantee function, when it indicates that the trademark operates to reassure the consumer about the consistent quality of the goods.

The guarantee function has been recognized in a case involving supermarket own brand 'lookalikes' of *United Biscuits (UK) Ltd v. Asda Stores Ltd* (1997) RPC 513, where the court held that the adoption by the defendant supermarket of the 'get up' of chocolate biscuits which imitated that of the claimants famous PENGUIN biscuit would lead shoppers to think that the biscuits, although cheaper had been made for Asda by the claimant, so would expect the same quality.

4. Advertising Function

It has been pointed out that if a trademark is a vehicle for creating goodwill. Its selling power should be protected against free riding by those who wish to take advantage of its reputation. See Arsenal case.

In *CLAERYN/KLAREIN* (1976) 7 IIC 420, where the owner of *CLAERYN* Dutch gin was able to prevent colgate using *KLAREIN* for toilet cleaning liquid. Both marks had an identical pronunciation in the Dutch language and consumers would not wish to be reminded of a cleaning agent while drinking a glass of high quality gin.

4.0 CONCLUSION

It is imperative that the functions of trademark cannot be overemphasized in industrial property law as is significant to the growth of any business and mark distinguishes the business of one person from another in order to prevent product mix up and for consumers to identify what they are buying. In so many countries most companies sell goodwill in business and goodwill is built alongside the quality of the product been sold to consumers by business owners.

5.0 SUMMARY

It is important to note that trademark has been introduced in this unit to learners of this work, this has been discussed from the point of its introduction through definitions offered by the legislations and various scholastical definitions. And the word trademark discussed

at length for better understanding of the subject matter by the students. It is however germane to note that the nature and functions of trademark was also discussed at length.

6.0 TUTOR MARKED ASSIGNMENT

1. Define the term trademark.
2. Explain the functions of trademark with the aid of case laws.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Trade Mark Act LFN (2004)
- Trade Mark Act 1990 (UK)

Unit 2

Registration of Trade Mark

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content

- 3.1 Definitions of Mark
- 3.2 Registrability
- 3.3 Registration Procedure
- 3.4 Grounds for Refusal of Trade Mark

4.0 Conclusion

5.0 Summary

6.0 Tutor Marked Assignment

7.0 References/Further Reading

1.0 INTRODUCTION

It is important to note that mark or sign are significant aspect of trademark. In this unit, we will be discussing what sign or mark means as it relates to trademark. The statutory provisions on what signs are registrable as trademarks are also important in this discourse, example persons opposing the registration of trademark based their grounds of opposition on the statutory framework governing what is and what is not registrable. And however, this is especially so where opposition is based on the identity or similarity of the mark.

It however pertinent to note that the grounds for refusal of mark or sign for trademark registration comes in two ways that is absolute and relative grounds which is germane to this unit.

2.0 OBJECTIVE

The main objective of this unit is to discuss the definition of marks and signs as it relates to trademark. We will however move to the registrable and trademark to know which sign or mark can be registrable or not. And also the procedure for registration of trademark will also be discussed.

It is however important to this end that we will discuss the grounds for refusal of registration of trademark.

3.0 CONTENT

3.1 Mark or Sign

It has been said that Mark may consist of any sign capable of being represented graphically particularly words, including personal names, designs, letters, numerals, the shapes of goods or of their packaging provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertaking.

However, the inclusion of shapes in the statutory definitions of mark has overturned the House of Lords decision in *Re: Coca Cola Trademarks* (1986) RPC 421, which was to the effect that a bottle could not be a trademark, because it would create an unfair monopoly.

The word sign has been defined in *Philips Electronics NV v. Remington Consumer Products* (1998) RPC 283, so that a word is plainly included within the meaning of sign.

Note that any message capable of perception by the sense can be a trademark

3.2 Registrability

It is important to note that what constitute registrable mark are significantly widened by the Trademark Act (1994) compared to previous legislations and also the Trademark Act LFN 1990 in this regard. However, shapes and colours have been added to the trademark Act of 1990 as against the previous legislations. And also the trademark Directive and the trademark 1994 and the trademark Act LFN 1990 will be the guiding point in this area of discourse. Note that Art 2 of the trademark directive is not intended to be exhaustive. See *Shield Mark BV v. Joost Kist* (2004) All ER (EC) 277. We will however discuss marks and signs that are registrable in this unit that is marks and signs that are:

1. Capable of Distinguishing

In case C-299/99 *Philips Electronics BV v. Remington Consumer Products* (2002) ECR I-5475 where the court explained that if trademark has distinctive character (either inherently or as a result of use) then it must be capable of distinguishing. However in Art 2 of the trademark directive capable of distinguishing means that the sign must be able to differentiate the goods or services of one undertaking from those of other undertakings and to fulfill its essential function of guaranteeing the origin of the products. See C39/97 *Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc* (1998) ECR I-5507.

Unless they are trademarks within the basic definition, signs are simply not registrable this

is well enunciated in Art 3 (1) (a) which states that signs which cannot constitute a trademark shall not be registered shall be liable to be declared invalid. Also s10 of the Trademark Act LFN 1990 also talks about distinguishing of In order for a trade mark to be registrable in Part B of the register, it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor or the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

It is pertinent to note that a sign that constitute exclusively of the shape which results from the nature of goods is not registrable, that is such a sign can never act as a trademark, as a badge of origin. It is also very imperative to note that a trademark must act as an indicator of origin, denoting from whom goods or services come rather than what the goods or services are. In case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Inc (Supra), where the court held that the essential function of the trademark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguishing the product or service from others that have another origin.

Finally, in Heidelberger Bauchemie GmbH v. Detsches Patent-und Markenamt ECJ , 24 June 2004 @ parag. 40 where what 'capable of distinguishing' means that the category of

sign (e.g a shape, musical tunes, colours) must have the potential to function as a trademark, to enable consumers to choose between different brands.

2. Capable of Graphic Representation

Graphic representation is a representation that is bureaucratic in nature, there was discuss of being able to register colours, sounds and in addition shapes, smells and fragrances. Asides the condition of capable of distinguishing then it must be capable of being represented graphically. A limiting factor determining whether a sign is capable of being represented graphically is the requirement for a representation of the mark to be contained in the application to register a trademark, another one is the avert of marks in the trademark journal which by the trademark Rules 2001 r 71 must contain a representation of the mark and the application form TM 3 has a square box (8cm x 8cm in which the representation must be placed.

In case C-273/00 Sieckmann v. Deutsches Patent -und Markenamt (Supra), here the applicant had attempted to register the smell of cinnamon. The ECJ declared that in principle a smell could be a trademark.

a. Colour Marks

In colour as marks it is important to fist include the colour(s) either as a sample or by means of an image of the goods to which the colour is applied. And secondly to use a well known references as a system for colours. Note that in applying to register as a trademark,

a single colour or a colour combination in the abstract will not be easy. In case C-104/01 *Libertel Groep BV v. Benelux - Merkenbureau* (2003) ECR I-3793, here an application was made to register the single colour orange in the field of telecommunication and representation was submitted in the form of a rectangle of colour with no other indication of the colour such as a reference to a colour coding system and the court held that a single colour, not spatially limited, may be acceptable if an internationally recognised colour code is used but simply reproaching the colour on paper does not satisfy the requirement of being capable of graphical representation.

Note that in the Nigerian context, under the Trademark Act LFN 1990 s16 states that A trade mark may be limited in whole or in part to one or more specified colours, and in any such case the fact that it is so limited shall be taken into consideration by any tribunal having to decide on the distinctive character of the trade mark.

b. Sound Marks

It is important to note that the use of conventional musical notation is appropriate for representing music as trademark. See the direct Line Insurance Plc telephone jingle (UK registration No 2030045, 2127794 and 2127799).

Note that in the future, it may become acceptable to file a sound mark in digital form that is MP3 file, so that it can be played by accessing the file by computer.

c. Olfactory marks

The registration of smells, odours and fragrances has met with very little success. How does one represent a smell graphically in a way which is clear, precise, easily accessible, intelligible, durable and objective. Note that despite its shortcomings there are still some successes of olfactory marks registration. The first of which is the trademark is a floral fragrance/smell reminiscent of roses applied by tyres with registration No 2001416.

It is imperative to note that applicants hoping to register olfactory marks soon realised that a written description on its own may not be sufficient to fulfill the requirement of graphical representation and they demonstrated some not inconsiderable ingenuity. See *John Lewis of Hungerford Ltd's Trademark Application* (2001) RPC 575.

d. Shape marks

This is one of the straight graphical representation of a shape mark by means of a drawing or set of drawings from different angles. In *C-299/99 Koninklijke Philips Electronics NV v. Remington Consumer Product Ltd* (supra), where the court of justice has made it clear that shape marks are to be treated no differently to other types of signs for the purposes of fulfilling the requirement under Art 2.

However, in *Triomed (Proprietary) Ltd v. Beecham Group Plc* (2001) FSR 583, the South African High court revoked a shape mark used for pharmaceuticals. It is important to note finally that another hurdle that stands in the way of registering shape marks results from the basic requirement that the mark must be capable of distinguishing goods or services of

one undertaking from those of others. It has to operate as a trademark - a badge of origin.

3.3 Registering

This part of the unit will be comparing the registration and registry procedure in Nigeria and the UK. Under s32 of the Trademark 1994, an application to register a trademark requires the submission of the following items and s18 of the Trademark Act LFN 1990.

1. A request for Registration
2. The name and address of the applicant
3. A statement of goods and services in relation to which is sought to register the trademark
4. A representation of the trademark
5. A statement that the trademark is being used, by the applicant or with his consent, in relation to those goods or services or he has bonafide intention of so using it.
6. The prescribed fee.

Note that the filling date will be the date when all necessary documents have been furnished to the registrar, while s35 provides for priority from earlier fillings from Paris Convention countries for up to six months.

Note that in the absences of any ground to challenge an application on this basis, it remains possible that any other person claiming to have the right to use it may oppose the application on the basis of the relative grounds or on the ground that the application was made in bad faith. In *Ball v. Eden Project Ltd* (2002) FSR 686, in an infringement action, it

was held that registration of a company name by a director of that company without that company's consent for the apparent purpose of giving the director a personal benefit was a breach of the director's fiduciary duty. It is however imperative to read more on the statutory provisions available for registration of trademark. Read more on s37-41 Trademark Act 1990 and s17-22 of the Trademark Act LFN 1990.

3.4 Grounds for Refusal of Trademark

There are two main categories of grounds available for refusal of trademark applications.

1. Absolute Ground for Refusal

There are concerned with the internal features of the trademark that is with some innate quality which means it cannot be registered. This head is set out in Art 3 of the DTM. Note that the trademark must have been inherent or acquired distinctiveness. It is also important that where the sign consists exclusively of a shape resulting from the nature of the goods, necessary to obtain a technical result or which gives substantial value to the goods. Then, other grounds for refusal or invalidity apply where the mark is contrary to public policy or accepted principles of morality, deceptive or if the application is made in bad faith. It is inevitable to stress that there will be some overlap between the four grounds under Art 3(1) (a)-(d) but each remains independent of the other and each must be interpreted in the light of the public interest underlying them.

In case C-329/02 P SAT.1 Satelliten Fernsehen GmbH v. OHIM (SAT 2), ECJ, 16 December, 2004 where it was held that each of these paragraphs require the trademark to be

considered concretely, that is in relation to the goods and services to which the mark will be applied, judged through the eyes of the average consumer of these goods. It is however, imperative to read Art 3(1) (a)-(d) and also Art 3(3), lets briefly outlines the heads and purpose of these sections.

b. Art 3(1) (a)

This paragraph talks about if it lacks the required ingredient of a trademark namely sign, capable of graphic representation and capable of distinguishing then it is not a trademark.

b. Art 3(1) (b)-devoid of any distinctive character

Shapes, single colours and descriptive or laudatory words may all fall into this ground for refusal. In case C-104/01 Libertel Groep NV v. Benelux Merkenbureau (2003) ECR I -3793, this concerned an application to register the colour orange in the abstract to be used in relation to telecommunications. Of course, it does not follow as a matter of inexorable logic that a mark which is not wholly descriptive must be distinctive. Thus for a trademark to be caught by the ground under Art 3 (1) (b) it must be potentially capable of distinguishing the goods or services of one undertaking from those of others, because of lack of use, it is not perceived as a badge of origin.

c. Art 3(1) (c)-Descriptive of characteristics

The public interest in allowing others freely to describe their goods or services is paramount here and subject only to acquired distinctiveness under Art 3(3). In Besnier SA's Trademark Application (2002) RPC 260 where it was held that the use of the trademark for

which registration was sought 'Day by Day' would naturally, be used by other traders to describe the time of delivery for their goods and services and the main purpose of this Article was to prevent the registration of words and phrases that other undertakings would want to use in a non trademark sense.

d. Art 3 (1) (d)-Customary Signs or Indications

This ground excludes those trademarks consisting of signs or indications that are in common use in trade, note that this applies only in respect of the goods or services for which registration is sought. In case C-517/99 Merz & Krell GmbH (2001) ECR I-6959, where the court held that for ground refusal to apply the sign or indication in question must designate the goods and services in respect of which registration is sought.

There are other grounds for refusal of trademark registration ranging from Art 3 (1) (e) that is shape marks and Art 3 (1) (e) where the registration is contrary to public policy or accepted principle of morality then it will be refused for registration. In the UK, an application was made to register 'JESUS' for a range of goods in *Basic Trademark SA's Application* (2005) RPC 611, where it was rejected on the basis that it was contrary to public policy or accepted principle of morality. Other grounds in this head is in Art 3(1) (g) that is deceptive marks and also application made in bad faith that is in Art 3 (2) (d) see *Harrison v. Teton Valley Trading Co.* (2004) EWCA CIV. 1028, 27 July 2004.

2. Relative Ground for Refusal

This however, the second ground for refusal of trademark application. Generally, it is important to note that the relative grounds are usually raised in opposition proceedings brought by proprietors of earlier trademarks or other earlier rights. Earlier trademark has been defined in Art 4(2) and in s6 of the trademark Act 1994 as one having an earlier application date, taking any priority into account, being a community trademark, one registered in a member state or registered under international arrangements having effect in the member state. It is imperative to note that where an earlier trademark has not been registered, it will be treated as an earlier trademark subject to its registration.

Note that s5 (1) - (3) of the Trademark 1994 should be read in sequence in order to achieve the prior trademark registration. See *Reed Executive Plc v. Reed Business Information Ltd* (2004) RPC 767 (CA).

a. Identical Goods or Services-Art 4(1) (a)

An earlier registration of the identical mark for identical goods or services will bar the application s5 (1) note that where there is incomplete identity of the sign and then the trademark shall be registered or if registered, shall be liable to be declared invalid. See Case C-245/02 *Anheuser Busch Inc v. Budejovicky Budvar* (2004) ECR-10989. Identical goods mean the goods for which the senior mark is actually registered. However, the test for what an 'identical sign' is has been explained by the ECJ in Case C-291/00 *LTJ Diffusion SA v. Sadas Vertaudet SA* (2003) ECR 1-2799, where the court stated that identity must be strictly interpreted and requires that the two marks be the same in all respects.

However, in the UK it has been accepted that applying to register a trademark which is identical to an earlier trademark but to which additional material has been added may be caught by this ground of refusal. In *Decon Laboratories Ltd v. Fred Baker Scientific Ltd* (2001) RPC 293, where it was held that the use of an identical sign with a suffix descriptive of the nature and quality of the goods was used for an identical sign. Contrast in *Compass Publishing BV v. Compass Logistics Ltd* (2004) RPC 809, where it was held that 'COMPASS LOGISTICS' was not identical to COMPASS as the difference were apparent and the public would distinguish them without prior coaching.

As a likelihood of confusion is presumed where there is complete identity of the sign and the earlier trademark and the goods and services, the ground of refusal under Art 4 (1) (a) should be reserved for those cases where a significant proportion of consumers would think there was complete identity given that it has been accepted that consumers do not usually make a direct comparison between the sign and the earlier trademark. In *Reed Executive Executive Plc v. Reed Business Information Ltd* (2004) RPC 767, where Jacob LJ said that he did not think that Reed Business Information was identical to Reed.

b. Incomplete Identity of Mark and goods or services

It is a ground that is commonly used in opposition or invalidity proceedings. In Art 4 (1) (b), and s13 (1) Trademark Act LFN 1990 which states that a trademark shall not be registered or if registered shall be liable to be declared invalid:

“...if because of its identity with, or similarity to the earlier trademark and the identity or similarity of the goods or services covered by the trademarks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark.”

The appreciation of confusion depends on numerous elements, in particular, the recognition of the trademark on the market, of the association which can be made with the used or registered sign, the degree of similarity between the trademark and the sign and between the goods or services identified.

In Case C-251/95 Sabel BV v. Puma AG, Rudolf Dassler Sport (1997) ECR I-6191, where the court stated that ...it is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public.

Note also that confusion as to origin might result from the association the public makes between a very distinctive mark and mark applied for. See Case C-425/98 Mara mode CV v. Adidas AG (2000) ECR I-4861.

In Case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc. (1998) ECR I-5507, where it was held that confusion requires that the relevant section of the public believes the goods or services came from the same undertaking or economically linked undertakings.

c. Unfair Advantage of or Damage to Repute of Trademark

An earlier registration of the identical or similar mark will bar the application where the earlier has acquired a reputation and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier mark. In Case C-292/00 Davidoff & Cie SA v. Gofkid Ltd (2003) ECR I-389, in this case the Swiss based claimant used the trademark 'Davidoff' in relation to high class goods. The defendant, established in Hong Kong, used a word and devise mark 'Duffee' which was alleged to be similar to those of the claimant. It was claimed that the defendant had tried to take unfair advantage of the prestige value of the claimant and there would be damage to the reputation of its trademark as persons do not tend to associate high-quality goods with China. The test of taking an unfair advantage of or being detrimental to the reputation of the earlier trade, this conjures up two possibilities, the first being where some of the goodwill associated with the earlier mark captured, diluting or blurring its distinctiveness.

See examples of successful oppositions CA Sheimer (M) Sdn Bhd's Trademark Application (VISA) (2000) RPC 484, here VISA for credit if allowed to be registered for condom will tarnish the reputation of the earlier registration.

It is imperative to mention other grounds for refusal of trademark under Art 4 (4) (d)-(f) which related to recently expired trademark, collective marks and certification marks.

4.0 CONCLUSION

It is important to note that it is an integral part of trademark and care must be taken in its registration to protect the right of the trademark owner against infringement from third party. It is also imperative that the grounds for refusal of registration trademark should be look at critically. However, the law governing Trademark is obsolete and a drastic change is required to come up to date. Nigeria as a member of WIPO need a lot of overhauling in other to reduce to its barest minimum the dumping of trademark infringed goods in the country.

5.0 SUMMARY

In summary this unit has defined the meaning of mark and sign, it also went ahead to describe registrability that is mark, sign, colours and shapes that will qualify to be registered. Note that the procedure for the registration of trademark was also highlighted in this unit. And lastly the grounds for the refusal of registration of trademark were also discussed in this unit.

6.0 TUTOR MARKED ASSIGNMENT

1. Consider whether EACH of the following could be registered under the provisions of the Trade Mark Act LFN 1990 in comparison to the UK Trademark Act 1994.
 - a. the sound of a bird for breakfast cereal
 - b. the colour Yellow and Purple for a telecommunication company
 - c. soap in the shape of a heart.

2. C-292/00 Davidoff & Cie SA v. Gofkid Ltd (2003) ECR I-389, explains the decision of the court with statutory authority and decided case law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007)
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Trademark Act Cap 436 LFN 1990.
- Trade Marks Directive
- Trade Mark Act 2004

Unit 3

Trade Mark Infringement and Defences

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Main Body
 - 3.1 Trade Mark Infringement
 - 3.2 Limitations and Defences to Trade Mark
 - 3.3 Surrender of Registered Trademark
 - 3.4 Remedies to Trademark Infringement
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Infringement generally is the unauthorized use of the right of person's invention, this is not an exception in trademark as infringement also occurs in trademark as in copyright and patent, it occurs where a person uses the sign or mark of either a registered or non-registered trademark. It is imperative to note that infringement in trademark tarnishes the goodwill and reputation of the owner of the trademark because the infringer will in most

cases uses the trademark for inferior goods or services without the end user been aware of the infringement.

Then this brings us to the issue of defences and limitation which can limit the right of the trademark proprietor and also the said proprietor has some remedies available to him after the success of the proceedings.

It is also important to note that the validity of the trademark might also be an issue once it has expired and the proprietor has not renewed or it is been revoked for some fraudulent grounds like fraud, misrepresentation before the grant of the trademark.

Finally, it is pertinent for a proprietor of trademark to protect its right on a trademark as against an infringer.

2.0 OBJECTIVE

The main objective of this unit is to discuss infringement ranging from its definition, to areas that infringement can occur, then also the protection available to the proprietor, also the defences available to the trademark infringer. We will also discuss the remedies available to the proprietor of the trademark and also the rights available to the state in this regard under validity and revocation of the trademark if found to be against public interest.

3.0 CONTENT

3.1 Trademark Infringement

Trademark Infringement is based on the use of a sign identical or similar to the registered trademark. It is important to note that infringement can extend to the spoken use of words as well as to a graphic representation. However, the proprietor cannot begin infringement proceedings before the date on which the mark is in fact registered that is the date the registration is granted. But obviously no proceedings can be entertained until it is known that the mark has been registered.

Note that a claimant who brings a trademark infringement action will have to show two things, that an act of infringement has been committed and that such conduct falls within the scope of protection afforded to the registered mark.

It is pertinent to note that before the act is said to be an infringement or before it is regarded as an infringing act then the following that will be discussed would have taking place. However, the infringing acts are set out in s10 Trademark Act 1994.

a. Use in course of trade

A definition of the word in the course of trade was first given in Case T-195/00 Travelex Global and Financial Services Ltd v. Commission, 10 April 2003, where the court held that the commission had not when it adopted the official euro symbol, used a sign which infringed the claimant's trademark in the course of trade.

b. Use as a trade mark

It is important to note whether it is required that the offending sign is being used in a trade mark sense, as an indicator of origin. In *British Sugar Plc v. James Robertson & Sons Ltd* (1996) RPC 28, where Jacob J, held that descriptive use would not infringe.

Also in *Arsenal Football Club Plc v. Reed* (2001) RPC 922 where Ladie J, thought that the scarves and other items bearing the football club's trade marks sold by a third party from a stall sited outside the Arsenal football ground and carrying a disclaimer to the effect that the goods were not official Arsenal merchandise, was not use of the trade marks as indicating origin. They operated rather as badges of support for, loyalty or affiliation to the trademark proprietor.

c. Use in relation to goods and services

It is imperative that this phrase has not been clearly explained by the court, although we may conclude that there should be some level of proximity between the infringing sign and the product being offered to the public.

In *Trebor Bassett Ltd v. The Football Association* (1997) FSR 211, here a sweet manufacturer has supplied 'collectible' cards depicting members of the England football team in its packs of sweets. The defendant's trademark (the famous three lions' badge) could just be made out in some of the pictures. Rattee J, held that such incidental use was not use in relation to the sweet.

However, in *Beautimatic International Ltd v. Mitchell International Pharmaceuticals Ltd*

(2000) FSR 263, it was held here that the use on invoice was 'in relation to the goods supplied.

3.2 Limitations and Defences to Trademark

It is important to reiterate that a defendant to a trademark infringement action may wish to argue that the claimant has failed to establish all the ingredients of the action. Then again, the defendant may wish to rely on one or more of the limitations and defences found in the Act. And these would be discussed here. It is also important to note that the limitations are there to allow the use of own names and descriptions where trademarks are registered on proof of distinctiveness.

1. Consent and Non-Trademark Use

A defendant may claim that what has been done is with the consent of the registered proprietor. In *Northern Shell v. Conde Nast* (1995) RPC 117, where it was held that one licensee of the trademark could not sue another, because the latter was using the mark with consent.

In the defence of non trademark use, what is trademark use now has a broader meaning than before as a result of the ECJ's ruling in the *Arsenal* case (Supra).

2. Honest Practices

Honest practice could be where a trader uses his own name, not having deliberately selected a trading name to capture goodwill associated with a registered trade mark. In

NAD Electronics Inc v. NAD Computer Systems Ltd (1997) FSR 380, the test for honest practice was equivalent to bona fide use under s 8 of the 1938 Act. However, honest practice in the cut and thrust of commercial life may not necessary be bona fide in a strict sense.

3. Acquiescence

The proprietor's right will be limited if he has acquiesced in the use of a later registered trademark for a continuous period of five years, being aware of such use unless registration of the later trademark was applied for in bad faith.

4. Exhaustion of Rights

Exhaustion of rights applies where goods are placed on the market within the community by or with the consent of the proprietor of any intellectual property right subsisting in relation to the goods. The defence prevents the proprietor from using those rights to interfere with any subsequent commercialization of the goods in question. It is a defence that will be available either to the importer or to any one who subsequently deals with the imported goods.

Note that where an importer decides to repackage or rebrand or relabeled trade marked goods such conduct is prima facie infringement. Then the trademark owner can oppose such act. See Case C-143/00 Boehringer Ingelheim v. Swingward Ltd and Dowelhurst (2002) ECR 1-3759.

10. Groundless Threats of Infringement Proceedings

A groundless threats action can be brought for example to selling or offering to sell goods under the trade mark, using the trade mark in business papers or in advertising or stocking goods to which the trade mark has been applied for the purposes of selling them. The action is intended to prevent heavy-handed threats being made typically to secondary infringers such as retailers who may simply stop ordering further supplies of the alleged infringing goods rather than challenge the validity of the trademark.

In *Prince Plc v. Prince Sports Group Inc* (1998) FSR 21, here the claimant had registered 'prince.com' as its internet domain name. The defendant was an American company having registered 'prince' as a trademark in a number of countries including the UK. The defendant's Attorneys wrote to the claimant pointing out that its use of the domain name and claiming that the defendant was infringing the defendant's UK registered trademark. Litigation was threatened if the claimant did not assign the domain name to the defendant. The court granted a declaration that the threats were unjustified and an injunction against continuance of the threat.

6. Comparative Advertising

Comparative Advertising occurs when one trader compares its goods or services with those offered by others. And such comparison will usually refer to differences in price, quality or value. Note that the comparison may be brand free or may refer directly to the trademark of the competitor (washes cleaner than OMO) .

In *Barclays Banks Plc v. RBS Advanta* (1996) RPC 307, here the claimant was the proprietor of the registered trademark BARCLAYCARD, the defendant was a joint venture between the Royal Bank of Scotland and the Advanta Corp of USA, which was about to launch a credit card called RBS Advanta Visa Card. It distributed letters, leaflets contained a list of bullet points stating 15 ways the RBS Advanta Visa Card is a better card all round, and the brochure contained tables comparing the features of the RBS card with express reference to BARCLAYCARD and its features. The court held that comparative advertising was allowed as long as it was honest. And further stated that the use in this case was not in accordance with honest practices in industrial or commercial matters, or that it took unfair advantage of, or was detrimental to, the distinctive character or repute of the trademark.

3.3 Surrender of Trademark

Surrender may come about as part of settlement in an infringement action particularly in respect of some of the goods and or services for which the trademark is registered, it may be a way of saving a registration from a counterclaim for revocation across the full extent of goods or services for which it is registered.

Note however, that surrender may also be considered where an application for invalidity is made which the proprietor does not wish to fight, perhaps lost interest in the trademark.

2. Revocation of Trademark

Revocation of trademark means that it is removed from the register because it has not been

used for a continuous period of five or more years without proper reason for non use. An application to revoke a registered trade mark can be brought by any person, there is no requirement of *locus standi*. The impact of revocation is that it brings to an end the rights of the proprietor from the date of the application for revocation. Revocation is essentially concerned with the failure of the trademark owner to look after the trademark since it was registered. Sec 46(1) of the Trade Marks Act 1994 and Sec 31 (1) Trade mark Act LFN 1990 which states that a registered trade mark may be taken off the register in respect of any of the goods in respect of which it is registered on an application made by any person concerned to the court or, at the option of the applicant and subject to section 56 of this Act, to the Registrar, on either of the grounds set out in subsection (2) of this section.

One of the important grounds for the removal of a trademark from a register is the non use of the trademark for a continuous use of about five years or more. Use has been the main concern in this part of the work as sec 46 (2) describes use in terms of revocation, which includes use in a different form provided this does not alter its distinctiveness character. While s31 (2) of the 1990 Act reiterates the use of the mark, to be used bonafide.

However, the UK trademark talks about genuine use, and it does not mean the opposite of fake or sham use. In *Euromarkets Designs Inc v. Peters and Crate & Barrel* (2001) FSR 288, here Jacob J, said that "genuine use" must involve that which a trader or consumer would regard as a real or genuine trade in this country. The required use must be genuine use judged by commercial standards but could be established in circumstances where no actual

sales of the goods had taken place.

It is important to point out that the genuine use of the mark is the regarded as the same with the bonafide use of the mark in the Nigerian Trade Mark Act.

Revocation will not be ordered on grounds of non-use if the use is commenced or resumed after five years but before application for revocation is made. It also very important to mention that revocation may be partial or whole, partial revocation may be applicable where the trade mark has been used but only in respect of some the or goods services for which it was registered.

Finally, the consequence of revocation is the proprietor's rights are deemed to cease from the date of the application of the revocation.

2. Invalidity of Trade Mark

A declaration of invalidity is based on the simple premise that the trademark was registered in error. An application to have a registered trade mark declared invalid can be brought by any person there is no requirement as to *locus standi*, the Registrar may himself apply to the court for a declaration of invalidity on the grounds of bad faith in the registration of a trade mark. Where the grounds for invalidity apply only in relation to some of the goods and services for which the trade mark is registered, the declaration of invalidity will be limited accordingly to those goods and services, leaving the registration intact for those goods and services for which it remains valid.

It is pertinent to note that the effect of declaration of invalidity is that the registration will be void ab initio, however this will not affect any transactions past and closed. In *British Sugar Plc v. James Robertson & Sons Ltd* (1996) RPC 281, here Jacob J, found that the claimant's 'TREAT' mark was invalid as being within the absolute grounds for refusal, he noted that having declared the mark invalid, he did not have the power to order its revocation. This means that an invalid mark would remain upon the register until such time as the proprietor failed to renew the registration.

It is also important to stress further that a person who has made one attack on the validity of a trade mark may be estopped from making subsequent attacks. See *Hormel Foods Corp v. Antilles Landscape Investments NV* (2005) RPC 657. Note that this estoppel did not prevent a fresh attack based on revocation, however, as this was a fundamentally different claim.

3.4 Remedies to Trade Mark Infringement

The remedies for trademark infringement are available in respect of infringement of any other property right and they are damages, injunctions, accounts or otherwise.

Infringing material is material that bears an identical or similar mark and which is used (or intended to be used) for labeling or packaging the goods, or as a business paper or for advertising goods and services.

A proprietor of a trademark which is well known may restrain by injunction the use of an

identical or similar sign in respect of an identical or similar goods or services where such use is likely to cause confusion. See Philips Electronics NV v. Remington Consumer Product (1998) RPC 283.

4.0 CONCLUSION

Trade mark infringement is an act that cannot be ruled out of trade mark, and it is important to note that as people infringe on trademark proprietor's right, there also remedies that are available to the proprietor in that direction, however, there are also some defences that the defendant would also rely upon in that regard, and also some grounds that can make a proprietor surrender its right in that direction and also some other grounds that can make the trademark be revoked or invalid.

5.0 SUMMARY

In summary, in this unit we have discussed generally the concept of trademark infringement, also not left out of this discussion is the defences that are available to the defendant of a trademark infringement, however the limitations that can also hinder the right of the trademark proprietor. It is also pertinent to note that we have discussed the remedies available to the trademark proprietor. And also the revocation, surrender and invalidity of trademark have also been discussed.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the issues which need to be established in a trade mark infringement action.

2. Point out that even though the claimant proves all the elements of infringement, the defendant can rely on a number of statutory defences. Explain with decided authorities.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007)
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Trademark Act Cap 436 LFN 1990.
- Trade Marks Directive
- Trade Mark Act 1990

Unit 4

Trade Mark and the Internet

Contents

- 1.0 Introduction
- 2.0 Objective
- 3.0 Content
 - 3.1 Trade Mark as Property
 - 3.2 Applying Mark to Material
 - 3.3 Trade mark and the Internet
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor Marked Assignment
- 7.0 References/Further Reading

2.0 INTRODUCTION

Trade mark as a property is like all other types of intellectual property where the proprietor of the trade mark has right over the said property once registered and can deal in with like every property possessed by an individual. Consequently, Art 8 of the Trade Mark Directive provides that trade marks may be licensed in respect of all or some of the goods or services for which they are registered and for the whole or part of the member state concerned.

It is important to stress that trade mark and the internet are imperative because the internet knows nothing of territorial boundaries and material placed on the internet, say on a web page that is why it is important that trade mark proprietor should be weary of the goods and services displayed on the internet in order to infringe the trade mark of other person in other part of the world, to this extent care should taken in display of goods and services on web.

2.0 OBJECTIVE

The main aim of this unit is discuss trade mark as property and emphasize the right of the proprietor as a property owner as it is conferred on every property owner, and also the right of a domain name owner and the internet related business. However, we will discuss the application of marks to materials.

3.0 CONTENT

3.1 Trade Mark as Property

A registered trade mark is an item of personal property. Note that an application for a trade mark is also a property right, where an applicant body was dissolve without provision fro ownership of the application, it will not evaporate but vest in the crown as bona vacantia. In Joel Cool (Manchesters) Ltd's Trade Mark Application (2000) RPC 926, here a purported assignment was void, as the assignor company had been dissolved before the date of the assignment.

Assignments or vesting assents are not effective unless in writing and signed by or on behalf of the assignor or personal representative. Note that a registered trade mark may be subject to a charge as is other personal property. Note further that each joint proprietor is entitled to an equal undivided share. Then it would appear that they are tenants in common. There are clearer rules for joint proprietorship of trade marks, note that each co-proprietor may do any act for his own benefit that would otherwise infringe, but may not without the consent of the other co-proprietor, grant a license to use the mark, or assign or charge his shares in the registered trade mark.

It is imperative to note that if the function of a trade mark is to act as a badge of origin, then even an exclusive licence which does not contain any provisions for quality control by the proprietor would seem unobjectionable. The public would perceive the goods or services as being those of the exclusive licensee. And this may be where the case where the licence is a bare exclusive licence. In *Scandecor Developments AB v. Scandecor Marketing AB* (2002) FSR 122, where the court suggested that a trade mark should not be regarded as liable to mislead if the origin of the goods is bare exclusive licensee.

In an infringement action, unless the licence provides otherwise, a licensee may call upon the proprietor to take action, and if the proprietor refuses or fails to take action within two months of being called on to do so, a licensee (including a sub -licensee) may bring proceedings in his own name as if he were the proprietor.

Normally, the proprietor would be joined in the action unless the court gave leave otherwise. A person becoming a proprietor or licensee has six months to register his interest (the court has discretion to extend if it was not practicable to register within six months). Failure to register within that time will mean that the new proprietor or licensee cannot obtain damage or an account of profits in respect of infringements occurring between the date of the transaction and the date of registration of the interest.

Finally, it is possible to grant an assignment or a licence in respect of a trade mark before it has been formally registered.

3.2 Applying Mark to Material

A person who applies a registered mark to material intended to be used for labeling or packaging goods, as a business paper (for example a company letterhead, or a sheet of instructions accompanying goods), or for advertising goods or services, shall be treated as party to any infringing use if, when he applied the mark, he knew or had reasons to believe that the application of the mark was not authorized by the proprietor or a licensee. See *Beautimatic International Ltd v. Mitchell International Pharmaceuticals Ltd* (2000) FSR 267.

3.3 Trade Mark and the Internet

The internet is a global environment and, as such traders need to exercise greater care when using signs or trade marks that could, potentially, infringe trade marks registered in other jurisdictions. In *Euromarket Designs Inc v. Peters and Crate & Barrel* (2001) FSR 288,

the defendant had a shop in Dublin and placed an advertisement on its website. Jacob J rejected the argument that the advertisement was directed at anyone in the UK.

Note that the danger of accepting the proposition that placing a sign on the internet in an advertisement for goods or services is to use it in every jurisdiction has very serious consequences. Many traders have small businesses with restricted physical catchment areas with sales only to persons who visit their retail outlets and who do not engage in mail order sales or other indirect sales.

Generally, as far as traders using website are concerned, they ought to consider including statements making the geographical boundary of their prospective target audience quite clear unless they do not intend to sell anywhere (in which case they must ensure that there are no conflicting trade marks anywhere else.) See Euromarket Designs case (supra).

4.0 CONCLUSION

Trade mark as a property is the right vested in the proprietor like every other right that a property owner has in relation to its property. Applying mark to material is very important in trade mark, as when marks are applied to materials, this distinguishes the origin of the product.

5.0 SUMMARY

Trade mark as a property right vests equal rights in the proprietor like other property owners. The application of mark to materials was discussed in this unit along with its

impact on the internet market.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the right of a proprietor in a trade mark as a property.
2. With the aid of decided authorities, explain the case of Euromarket Designs Inc v. Peters and Crate & Barrel, as it relates to advertisement on the internet.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007)
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, Intellectual Property University of London Press (2005).
- Trade Marks Directive
- Trade Mark Act 1990

MODULE THREE

Unit 1

Passing Off

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definitions and Nature of Passing Off

10.2 Scope of Passing Off

- 11.0 Conclusion
- 12.0 Summary
- 13.0 Tutor Marked Assignment
- 14.0 References/Further Reading

8.0 INTRODUCTION

Passing-off is a cause of action that is primarily founded in torts and is historically rooted in common law. It is a cause of action that has undergone dramatic changes over the years but still potent in protecting the entrenched rights in areas to which it relates.

The law of passing off is a law that protects both the consumer and the trader from an unhealthy competition. Common law protects trademark and grants reliefs and injunction to the trader whose goods or services have been passed off once it is proved.

It is of paramount importance to note that passing off takes different dimensions some of which will be discussed. The reputation of a company or trademark, name, logo or material is derived from the goodwill of the company. For this reason, the law protects all these items from unhealthy competition in order to protect the economic interest of the company.

2.0 OBJECTIVE

The objective of this unit is to define the tort of passing off as it relates to goods and services. This will include a discussion on the nature of passing and the scope of the concept as it relates to the goodwill of the passed off trademark or design.

3.0 MAIN CONTENT

3.1 Definition and Nature of Passing Off

Passing Off is a tort and can be described as the common law form of trademark. It can also be described as a common law tort which can be used to enforce trademark rights. The tort of passing off protects the goodwill of a trader from a misrepresentation that causes damage to the goodwill.

Passing Off gives a trader an opportunity to acquire protection through use of a brand name, logo or trade name or indeed any symbol which has been used in the course of trade to indicate the origin of goods in such a way that it has achieved public recognition.

The main function of passing off is the protection of consumers against origin confusion. It can also be used to protect traders against unfair competition or misappropriation.

In *Trebor (Nigeria) Ltd v. Associated Industries Ltd* {1972} NMLR 60, the court held that the fundamental rule is that one man has no right to put off his goods for sale as the goods of a rival trader.

Business goodwill is protected by passing off which may be associated with a particular name or mark used in the course of trade. This area of law is wider than trademark law in terms of the scope of marks, signs, materials and other aspects of a trader's right that can be protected.

Reputation and goodwill are often used interchangeably but it is really in connection with goodwill that passing off is concerned. It is possible to have a reputation without goodwill. However, the existence of reputation without any associated goodwill may be fatal to a claim in passing off.

The preservation of goodwill is the prime concern of passing off but in doing so, the protection of consumers rights is also considered. See *Plix Products Ltd v. Frank M Whinstone (Merchants)* [1986] FSR 63.

It is important to reiterate that in passing off, goodwill would have been established by one trader with another trader trying to take advantage of that goodwill, to cash in on it to the detriment of the first trader.

The owner of the goodwill has a property right that can be protected by an action in passing off. In passing off the property right is not a right in the name or mark but that it is the right in the reputation or goodwill of which the name or mark is the badge or vehicle.

Passing off may overlap with other rights, especially trademark and copyright, and given set of circumstances may give rise to an action involving two or more different rights. In

Visual Connection (TVC) Ltd v. Ashworth Associates Ltd {Unreported} 14 January 1986, the claimant sued for infringement of copyright in photographs and for passing off resulting from the use, by the defendant, of the photographs, representing his business as that of the claimant. See also *Columbia Picture Industries v. Robinson* {1987} 1 Ch 38.

The general rule for determining the date at which goodwill should be assessed in a passing off action is the date that the defendant's acts, in respect of which complaint is made, commences. In *Inter Lotto (UK) Ltd v Camelot Group Plc* (2004), the claimant started using the unregistered trade mark 'HOTPICK' during August and September 2001. The defendant, responsible for running the national lottery under license from the National Lottery Commission (the NLC), caused the NLC to register 'HOTPICKS' as a trademark and the application was duly filed on 17 October 2001 but it was not used by the defendant until around July 2002. The claimant opposed the trademark application. The Court of Appeal, dismissing the defendant's appeal, held that the relevant date was the date the use of the trade mark by the defendant commenced.

3.2 Scope of Passing Off

The scope of passing off is quite wide and it can protect unregistrable business names, unregistered trademarks, advertising and generally anything that is distinctive of the claimant's goods and services or business.

It is important to note that passing off has no express use or mention of a trade name, mere implication is adequate. See *Copydex Ltd v. Noso Products Ltd* (1952) 69 RPC 38.

Passing off is in relation to trade in goods. It applies equally to services as well. The use of another's name in relation to the provision of services could also be actionable as passing off. See *Harrods Ltd v. R. Harrod Ltd* (1924) 41 RPC 74.

Trade does not have to be primarily associated with commercial enterprise. It has been accepted that a charity too, is capable of possessing goodwill distinguishable from commercial goodwill which is equally entitled to legal protection through an action in passing off. In *British Diabetic Association v. Diabetic Society* (1996) FSR, the defendant charity was restrained from using its name, such use amounting to a deception calculated to injure the reputation and goodwill of the claimant charity.

Passing off may also occur in the use of individual's names or personality without his permission. See *McCulloch v. Lewis A May Ltd* (1948) 65 RPC 58. In *Irvine Talksport Ltd*, it was accepted that falsely implying that a celebrity was endorsing a product was actionable under passing off.

Passing off goes beyond the type of mark that is registrable as trade mark and can apply in respect of containers and packaging. In *Reckitt & Colman Products Ltd v. Borden Inc* (1990) 1 All ER 873, it was held that the law of passing off protected the Jif Lemon, which is a plastic lemon coloured and shaped receptacle in which the claimant lemon juice was sold.

The law of passing off does not stop short at containers. Even the shapes or appearances of the article itself may be protected. See *Hodgkinson and Corby Ltd v. Wards Mobility Services Ltd* (1995) FSR 169.

Passing off can go further in the subject matter of protected and can protect, in principle, anything associated with goodwill such as a method of doing business or a theme used in advertising. See *Cadbury-Schweppes Pty Ltd v. Pub Squash Co. Pty Ltd* (1981) 1 All ER 213.

Distinctiveness is important to success in a passing off action. Where the use of number is at issue, the individual circumstances may be highly relevant. In *Law Society of England and Wales v Griffiths* (1995) RPC 16, the claimant had launched a 'phone in' advice line in respect of accidents and personal injuries. The telephone number was 0500-192939. The defendant who was not part of the claimant's scheme set up one of his own and obtained and used the telephone number 0800-192939. It was held that there was a serious issue and granted an interim injunction to the claimant.

If passing off by one trader is to damage another trader's interests in the goodwill he has acquired, it should be reasonable to assume that there should be some overlap in the geographical location and extent of the catchment area of their respective businesses.

Goodwill may also vary depending on the geographical area under consideration. See *Associated Newspaper Ltd v. Express Newspaper* (2003) FSR 909.

Goodwill has an expansive geographical range. It may be in relation to activities in a different country. In *Maxim Ltd v. Dye* (1977) 1 WLR 1155, the claimant, an English company, owned a world famous restaurant in Paris known as 'Maxim's'. The defendant opened a restaurant in Norwich and also named it 'Maxim's'. It was held that the claimant had goodwill in England derived from the business in France which might be regarded as being prospective. See also *McDonald's Corp v. MacDonald's Corp and Vincent Chang* (1997) FSR 760. In many cases the reputations of large multinational organizations precede them as they expand their activities into other countries. In this sense, reputation must equate with goodwill because if the reputation is harmed, the consequence is that, once established in those other countries, turnover there will also be harmed.

4.0 CONCLUSION

The major issue behind the concept of passing off is goodwill built over the years and once another trader passes off the name, mark or even container or packing, it causes harm to the reputation of mark passed off one.

The law of passing off is designed to prevent misrepresentation in the course of trade to the public. See the Nigerian case of *Niger Chemist v. Nigerian Chemist* (1961) All NLR 171.

5.0 SUMMARY

In this unit we were able to discuss the definitions of passing off and the nature of the concept. We also shed more light on the concept passing off through the scope of the industrial property tort of passing off.

6.0 TUTOR MARKED ASSIGNMENT

1. In defining passing off, read and summarise the definitions offered in *Reckitt & Colman Products Ltd v Borden Inc* (1990) 1 All ER 873 and *Ervin Warnink BV v Townend & Sons* (1979) AC 731.
2. With the aid of decided cases, describe the ways by which passing off may be used to protect trademarks and other symbols used in the course of trade.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property* (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Gilbert Kodilinye and Oluwole Aluko, *The Nigerian Law of Torts* (Second Edition) Spectrum Law Publishing (1999).

Unit 2

Elements of Passing Off

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Goodwill (Reputation)

10.2 Misrepresentation

10.3 Damage

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

6.0 INTRODUCTION

The existence elements of passing off are germane to the success of an action in a passing off suit. This unit will discuss these elements in the next few pages.

The function of passing off is to protect the consumers from origin confusion which as already stated, is germane to the success in an action in passing off.

The success of the tort of passing off depends largely on the three elements that must be present before the tort is actionable.

7.0 OBJECTIVE

The objective of this unit is to discuss the three elements of passing off, that is, the ingredients that make the success of a passing off suit. The three elements of goodwill, misrepresentation and damage must be proved by the claimant for the action to succeed.

8.0 CONTENT

Elements of Passing Off

It is important to note that a man is not to sell his own goods under the pretence that they are the goods of another trader. The law would restrain one trader from passing off his goods as being those of another trader.

There are three elements, often referred to as the Classic Trinity, in the tort which must be fulfilled. In *Reckitt and Coleman Products v. Borden* (Supra) the House of Lords adopted the 'Trinity Test' in establishing the ingredients of 'passing-off' as follows:

- i. The claimant (that is the person alleging a breach of his right) must establish the goodwill or reputation attached to the goods or service in question and identify the circumstances under which the goods and services are offered to consumers;

- ii. The claimant must also establish that there has been a misrepresentation by the defendant which has caused or has the potential of causing the members of the public to believe that the goods or service emanate from the him;
- iii. Finally, the claimant must demonstrate that he has suffered or is really likely to suffer losses by the reason of the defendant's misrepresentation as to the source of defendant's goods or services, which seems to suggest that they emanate from the claimant.

For a person to be held liable in an action for passing-off, all the enunciated ingredients of the tort must exist at the same time within the particular circumstance(s) giving rise to the alleged infringement. Where the alleged act of infringement is adjudged to be calculated to deceive the members of the public, it is not required of the plaintiff to prove that the act has actually deceived some people. It is enough that under the circumstance(s), there was a possibility that potential consumers would be confused or deceived. See *Niger Chemist v. Nigeria Chemist* (Supra).

3.1 Goodwill (Reputation)

Lord Macnaghten gave a useful definition of goodwill in *Commissioner of Inland Revenue v. Muller & Co's Margarine Ltd* (1901) AC 217, where he described it as the benefit and advantage of the good name, reputation and connection of a business. He further described

it as the one thing that distinguishes an old established business from a new business at its first start.

It is also very important to note that goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates.

Reputation on its own comes about through consistent use of the name, logo, material etc. There must have been a goodwill associated with a reputation which had been acquired by the claimant in relation to that name or style. In *Reddaway v. Banham* (1896) AC 199, the phrase 'Camel Hair Belting' used by the claimant from 1879 to 1891 was considered to have become distinctive of the claimants belting.

It is pertinent to reiterate that it is not possible to lay down a hard and fast rule as to the period of time taken to acquire protectable goodwill. This, it depends on the circumstances. If there is a great deal of commercial activity an advertising goodwill could be acquired in a relatively short period of time. In *Stannard v. Reay* (1967) RPC 589, court held that three weeks was sufficient to build goodwill in the name Mr. Chippy for a mobile fish and chip van.

It is generally, accepted that the date at which goodwill is required to be shown to exist is the date of commencement of the defendant's acts which are the subject of the complaint. See *Scandecor Development AB v. Scandecor Marketing AB* (1999) FSR 26.

Goodwill can exist even if the product or services to which it relates have not yet been made available but a momentous proportion of the public knew about the product or service because of a great deal of publicity. See *British Broadcasting Corp v. Talbot Motor Co Ltd* (1981) FSR 228.

The relationship between the goodwill and the product or service concerned may be influenced by the form of an advertising campaign.

Goodwill may be built up over a considerable period of time and transferred with the sale of the business with which it is associated.

It is important to note that goodwill in a product can be shared by a number of traders. In *Erven Warnink Besloten Vennootschap v. J Townend & Sons (Hull) Ltd* (1979) AC 731, the goodwill shared was in the name 'Advocat' describing a particular type of alcoholic beverage and that the goodwill was shared between the Dutch companies making the drink.

A goodwill which is shared between two businesses may have the effect of giving an impression that the businesses are bigger than they actually are. Where they share goodwill in their dominant trading names, care must be taken not to make changes to them which would amount to passing off.

Determining the identity of the owner of goodwill is a question of fact. In *Medgen Inc. v. Passion for Life Products Ltd* (2001) FSR 496, it was held that ownership of goodwill was a question of fact and that there was no presumption.

In the context of licence or distributorship agreement, where the licensor or manufacturer is based in another country which recognizes the law of passing off, it will be possible that each will share goodwill but will own it on a territorial basis. A licence agreement or distributorship agreement will contain specific provisions dealing with the issue of goodwill and ownership. See *Electro Cad Australia Pty Ltd v. Mejati RCS SDN BHD* (1990) FSR 291.

Geographical names and descriptive words are likely to lack distinctiveness. It is usually difficult, if not impossible, for a trader to demonstrate that he has a goodwill associated with the word (s) in question. In *Office Cleaning Services Ltd v. Westminster Windows and General Cleaners Ltd* (1946) 63 RPC 39, the claimant unsuccessfully tried to restrain the defendant from using the trade name 'Office Cleaning Association'.

A trader using a goodwill is more likely to acquire goodwill if the word is not generally used in the trade in which the trader is involved. Note that whether a word is capable of supporting goodwill or not depends very much on its context.

In all, it is imperative to reiterate that a geographical name used by a trader could have one of three meanings. It could indicate that:

- the trader's goods come from that place
- the trader's goods are of a particular type associated with that place and, therefore likely to appeal to a particular taste
- it is the product of a particular trader. See *Barnsley Brewery Co. Ltd v. RBNB* (1997) FSR 462.

3.2 Misrepresentation

Misrepresentation is an essential element in the tort of passing off. It is important to note that misrepresentation may come about in numerous ways such as by written, oral statement by implication or by similarity in appearance or presentation of goods or even from the presence of some object.

For a passing off to be actionable, the misrepresentation does not have to suggest that the defendant's business is that of the claimant. The misrepresentation or deception is not necessarily limited to an exact copy of a name or mark. Similarity sufficient to result in confusion will suffice.

Misrepresentation can take many forms. It may confuse as to origin of goods or services or the nature of the defendant's goods or services. It may also be made in words or pictorial or be implied in behaviour or that a trader has failed to disabuse customers about their mistaken beliefs, which may have been encouraged by the trader. See *Musical Fidelity Ltd v. Vickers* (2003) FSR 898.

A number of factors determine whether the misrepresentation is likely to confuse or not. In *Dawnay Day & Co Ltd v. Cantor Fitzgerald International* (2000) RPC 669, the defendant was a firm involved in financial services including broking which was totally unconnected with the claimant group of companies but which had acquired one of the group of companies, known as Dawnay Day Securities Ltd, confirming that the use of the Dawnay Day name by the defendant would cause confusion and will be passing off. It was held by Lloyd J, that it would not be impossible not to conclude that the use by the defendant of the Dawnay Day name would be a plain misrepresentation.

A misrepresentation that is ineffective because the public see through it is not actionable in passing off because one important and fundamental requirement is missing, that is, in the absence of confusion there can be no harm to goodwill and, therefore no damage to the claimant.

It is also of paramount importance to note that giving a false impression that a celebrity is endorsing a product is likely to amount to passing off. In *Irvine v. Talksport Ltd* (2003) FSR 619, the defendant ran the radio station 'Talk Radio'. It mounted a promotional campaign which included photographs of Eddie Irvine, the Formula One Grand Prix racing driver. The photograph had been manipulated. It originally showed Mr. Irvine speaking on a mobile phone but was changed to a picture where he held a portable radio on which the words 'Talk Radio' were clearly visible. It was held that this gave the impression that he

endorsed the radio station and this false representation was passing off. Product endorsement is very common and celebrities expect to be paid large sums of money for such activities. This was held by the Court of Appeal as it increased the damages paid from 2,000 pounds to 25,000 pounds.

Inverse passing off occurs where the defendant falsely claims that the claimant's goods are actually made by, or provided by, the defendant. In *Bristol Conservatories Ltd v. Conservatories Custom Built Ltd* (1989) RPC 455, the defendant's sales representative showed potential customers photographs of conservatories as a sample of the defendant's workmanship. The photographs were in fact, of the claimant's conservatories.

Inverse passing off may also be committed by implicitly encouraging others to think that one is associated or responsible for material created and belonging to another.

Misrepresentation can even extend to an act that implies that it is authorized or consented to by another person. See *Associated Newspapers (Holdings) Plc v. Insert Media Ltd* (1991) 3 All ER 535.

The great majority of passing off cases involve deliberate and calculated attempts to take advantage of the goodwill owned by another trader and associated with goods manufactured or sold by him or services supplied by him. A fraudulent motive is not necessary to a passing off action and, indeed, innocence is not a defence. The main thrust of

the law of passing off is the protection of goodwill. See *Harrods Ltd v. Harrodian School Ltd* (1996) RPC 697.

Passing off is limited in a similar way in that there must be a common field of activities between the claimant and the defendant. There must also be some common ground. If there is no common field of activity, there can be no damage to the claimant's goodwill because the public will not make a connection between the traders and their different field of activity. In *Grenada Group Ltd v. Ford Motor Company Ltd* (1973) RPC 9, it was held that the Grenada television group, famous for making the television serial coronation street, could not prevent the Ford Motor Company naming one of its cars the Ford Grenada, there was no danger of confusion because of the different fields of activity and there was no danger of the claimants goodwill being harmed.

3.3 Damage

Damage is the third element of the classic trinity. The claimant must establish that there has been or will be damage. The damage must be more than minimal, but need not be actual: a threat of damage will suffice provided all the other elements of passing off are established.

Damage may result in a number of ways and the dwindling in the claimant's goodwill may be caused by:

- lost sales because buyers confuse the defendant's product or services with those of the claimant.

- erosion, blurring or debasement of a name that is exclusive and unique and which is used by the claimant.
- indirect though invidious damage which prevents the claimant controlling and developing his goodwill in the future as he wished even though none would be deceived into thinking the defendant's product was from the claimant.

In *National Association of Software and Services Companies v. Ajay Sood* (2004) RPC 711, the High Court of Delhi decided, inter alia that the activity of phishing (misrepresentation that the sender of an e-mail was a legitimate organization to induce the disclosure of personal information) could give rise to an action in passing off.

As the essence of passing off is deception, the basic test is whether a substantial number of persons have been or are likely to have been deceived by the defendant's misrepresentation.

It is imperative to state that the use of a disclaimer may be an important factor in the court's determination of the question of damage to goodwill. If it is clear and effective, this will tend to suggest that substantial persons will not be confused. In *Arsenal Football Club Plc v. Reed* (2001) RPC 922, the defendant used a disclaimer making it clear that his Arsenal memorabilia had no association with official club merchandise.

Erosion of goodwill may be a possibility where inferior goods and services provided by the defendant are taken to be those of the claimant. In *Chocosuisse Union des Fabricants Suisses de Chocolat v. Cadbury Ltd* (1998) RPC 117, the name 'Swiss Chalet' was given by

the defendant to a new range of bars of chocolate. The damage was that the exclusivity of the designation 'Swiss Chocolate' descriptive of chocolate made in Switzerland, would suffer.

A claimant must be able to satisfy the court that he has, or will suffer substantial damage to his goodwill. In this mere speculation will rarely suffice. Proof damage is not only important in quantifying damages to be awarded to the claimant but also it may be essential in demonstrating that there has been a misrepresentation calculated to injure the claimants goodwill. See *Tamworth Herald Co. Ltd v. Thomson Free Newspapers Ltd* (1991) FSR 337.

Evidence of damage may be carried out through trap and survey orders. Surveys are carried out for a number of reasons, however unless they are properly carried out, they will fail to impress the court, see *Imperial Group Plc v. Phillip Morris Ltd* (1984) RPC 293. Note that good statistical methods must be used coupled with complete openness and disclosure.

Trap orders are often used to provide evidence of passing off. See *Showerings Ltd v. Entam Ltd* (1975) FSR 45.

In executing a trap order, the claimant is representing himself as a bonafide customer. In this instance, if the defendant had been caught by a trap order, he should be put on notice immediately so that he can recall the facts clearly.

9.0 CONCLUSION

The classic trinity elements of passing off that is goodwill, misrepresentation and damage are important to the tort of passing off and that they must all be present before the tort can be actionable.

10.0 SUMMARY

In summary this unit has been able to explain and the learners have been able to learn the trinity elements of passing off as well as the purpose of each of the elements to the action of passing off. There have been a lot of common law to support these elements. We have discussed goodwill, misrepresentation and damage.

6.0 TUTOR MARKED ASSIGNMENT

1. Damage to goodwill is one of the requirements for a passing off action discuss with the aid of judicial authorities.
2. Goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Discuss with statutory and case laws.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).

- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Gilbert Kodilinye and Oluwole Aluko, *The Nigerian Law of Torts* (Second Edition) Spectrum Law Publishing (1999).

Unit 3

Character Merchandising

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Character Merchandising

10.2 Protection

10.3 Licensing of Trademark

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

4.0 INTRODUCTION

Merchandising is an important industry. Generally there are goods by football clubs and other sporting organizations. The sale of memorabilia connected with celebrities, the endorsement of goods and services by famous people, and the way, in which a whole range of items can be used to promote films, concerts, tours and stars is also of importance to law.

A fictitious or fantastic character might be devised for a television series. A book, film or a computer game like Harry Potter, the Teletubbies, Kojak, and the Simpsons fall into this category. The person who devised this character or the person commissioning the design will want to maximize the financial return on investment involved.

These commercial activities have, as their foundation, contractual arrangements between the person or company owning a name or image and undertaking that is to make and sell goods on their behalf.

There are legal means available to protect the merchandiser against those who wish to free ride on the success of a particular name or image.

5.0 OBJECTIVE

The main objective of this unit is to discuss merchandising in general, and also to discuss the legal concept of protection under the various heads of intellectual property. In this unit attempt shall be made to discuss the licensing of trademark under character merchandising and its efficacy.

6.0 CONTENTS

Character merchandising is not a new phenomenon. Although the law tries to protect the licence in character merchandising, the sole aim is to give legal coverage to the economic rights of the licensor.

3.1 Character Merchandising

The word character merchandising was defined in *Lorimar Productions v. Sterling Clothing* (1982) RPC 395, by Van Dijkhorst J, as;

“...the use of characters, locations names, titles and logos from TV series feature films or other entertainment programmes for promotions and the sale of products and services”.

The court in that matter suggested that it is alleged that modern buying habits are highly responsive to image-related advertising. If carefully chosen merchandise is marketed in overt association with a popular film, TV series, celebrity, fictitious characters or the like, that merchandise will enjoy a greater consumer demand than could have been expected for the unadorned product.

The use of fictitious characters in order to sell ordinary items is known as character merchandising and is very popular, particularly with respect to children’s toys, games and stationery.

It is also important to note that character merchandising is not limited to fictitious characters. Many famous sportsmen and women and television personalities allow their names to be used for promotional purposes.

3.2 Protection

There are several means by which legal protection can be afforded to the merchandiser: copyright and design law, trademark, passing off and breach of confidence. Each will be discussed in this unit.

5. Copyright and Design Law

Copyright can give a fair degree of protection as long as the drawing is original. Copyright in this work will subsist in it irrespective of the artistic quality. Infringement will arise like where a representation of the character infringes the copyright in a drawing of that character. For example if a company wishes to sell a mug to which a picture of NOUNCIL has been applied by transfer printing, this will infringe the copyright in the original drawings of NOUNCIL.

If a doll or three dimensional figure is made, then the copyright in the drawings will be infringe. In *King Features Syndicate Inc v. O and M Kleeman Ltd* (1941) AC 417, the court held that the Popeye dolls infringe the cartoon drawings of the Popeye character.

Copyright does not protect the name of a fictitious character. It is also of no assistance to the production company that wants to promote the name of a film or television series through merchandising activities.

Copyright protection will be available if the personality is the owner of the copyright in the photographs and that photograph is applied to a range of goods or services without his consent.

6. Trademark

It is difficult to use trademark to promote character merchandising. This was confirmed in the case of *Holly Hobbies Trademark* (1984) FER 199, where the House of Lords stated that trademark law was not to be used to promote character merchandising.

There is difficulty in registering the name of a celebrity particularly if the person is no longer alive. The public may not perceive the name as indicating commercial origin rather they will think that the name simply commemorates the person in question. See *Diana, Princess of Wales Trademark* (2001) ETMR 254.

If a film company decides to make toys in the shape of one of its popular characters e.g. 'Headmaster' from 'Village Headmaster' then section 3 (2) (c) would logically prevent the registration of the shape as a trademark, because the item is a collectible.

7. Passing Off

Passing off may not be effective in the context of character merchandising because of the requirement of a common field of activity without which there can be no harm to the owner of the name of the character. In the absence of trademark registration, passing off would appear to be the most logical means of providing protection for a name.

It is important to reiterate that if the claimant makes films or television programmes, then the goodwill in that business is not diminished if a third party makes and sells merchandise. In *Wombles v. Wombles Skips* (1977) RPC 99, the creator of the WOMBLES (characters in a children's television programme who liked to clear up rubbish) was unable to prevent the defendant trading under the name *Wombles Skips* (a business specializing

in waste removal). The lack of a common field of activity meant that there was no harm to goodwill.

The law is changing as the Australian courts have displayed a more generous approach to the practice of character merchandising. In *Henderson v. Radio Corporation Pty Ltd* (1969) RPC 218, it was held that a common field of activity is not an essential requirement for passing off. See *Fido-Dido Inc v. Ventures Stores (Retailers) Pty Ltd* (1988) ATPR 40-235.

Essentially, the issue of passing off in relation to character merchandising is one of deceit. If the public is insufficiently aware of character merchandising, ordinary persons will not associate the use of the character with the origin of goods. See *Arsenal Club Plc v. Reed* (2001) RPC 922.

8. Breach of Confidence

The main aspect of breach of confidence which is relevant to merchandising is the extent to which celebrities can control the use of their image in the media.

A celebrity who is photographed in a public place may have little redress, unless that photograph is taken secretly. See *Naomi Campbell v. MGN* (2004) 2 WLR 1232.

3.3 Licensing of Trademark

Licensing of trademark for the purpose of character merchandising is usually to protect celebrities who wish to make money out of their image and the creators of films and

television programmes who wish to take advantage of the success of their work. They often register trademarks as the first step in merchandising process.

Once registration is obtained, the next step is to enter into series of trademark licenses with those who may wish to exploit the name or image in question.

4.0 CONCLUSION

Character merchandising is an important aspect of industrial property which has been exploited over the years. The idea behind character merchandising is the goodwill of the originator of the idea.

5.0 SUMMARY

In this unit, learners should be able to understand the definition of character merchandising as offered by Van Dijkhorst J in *Lorimar Productions v. Sterling Clothing* (Supra).

Also the protection of character merchandising under different intellectual property laws as offered by legislation and case law was discoursed alongside the licensing of trademark most especially by celebrities for use in character merchandising.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain the meaning of character merchandising.
2. Write a summary of the different industrial property rights available to protect merchandising activities.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, 1988
- Trademark Act, 1994

Unit 4

Defences and Remedies of Passing Off

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Passing Off and Internet Domain Name

10.2 Defences to Passing Off

10.3 Remedies of Passing Off

10.4 Malicious Falsehood

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

5.0 INTRODUCTION

There are defences available to a defendant in an action in passing off. They range from damages to injunction and account of profit, just to mention a few.

The idea behind malicious falsehood is a tort that is related to passing off, and this could also be referred to as trade libel. Let's explain further that it is a tort that originated from

slander of title, most especially slander of goods and any false disparagement about a business.

6.0 OBJECTIVE

The objective of this unit is to discuss passing off and internet domain name and to explain the defences available to a defendant in a passing off action. Since the classic trinity of passing off has been established, it is imperative that the remedies available to the claimant, ranging from injunction to account of profit be discussed. IN this unit, malicious falsehood and the future of passing off will be discussed.

7.0 CONTENTS

7.1 Passing Off and Internet Domain

Any person may obtain an internet address (domain name) for his web page. There are generic top level domains (gTLDs) such as 'com', 'org' and 'net' and country code top level domains (ccTLDs) such as 'uk' (UK), 'ng' (Nigeria) and 'ge' (Germany).

Each domain name must be distinct from the other.

In the UK, a body called the Nominet UK allocates the addresses. It used to allocate names based on a first come-first served basis, and made no checks to see if the applicant or any others were entitled to any rights in the name. The body allocates names by automation without any human intervention and does not assess the legality of a registration, or require the declaration of a right to use or operate an opposition system.

The registration of 'harrods.com' initiated the first case in the UK on domain names. In *Harrods Ltd v. UK Network Services Ltd* (1997) EIPR D-106, summary judgment was given to the claimant and the defendant was asked to release the domain name 'harrods.com'. The name was registered to a person that had no association with the name.

The courts are prepared to use the law of passing off to protect the use of domain names with the hope of selling it to a company that already has rights in the name as a trademark or has already established substantial goodwill in the name.

In *Marks and Spencer Plc v. One in a Million Ltd* (1998) FSR 265, five actions were brought for summary judgment by the claimant with substantial goodwill against the defendants who were dealers in internet domain names who registered names to sell to potential users. The defendants were ordered to take the necessary steps to assign the domain names to the claimants.

It is possible that the look and feel of a website might amount to passing off. Even though the domain name has no connection with the aggrieved party.

7.2 Defences to Passing Off

The main defences will normally be that the claimant has failed to establish the element of the tort, that is, one of the classic trinity is missing. Defences to passing off are straight forward, and will be highlighted in this unit for easy understanding.

The defences to passing off action include but are not limited to the following;

- i. the claimant does not have *locus standi*.
- j. the defendant's activities have not harmed and are not likely to harm the claimant's goodwill associated with the name, mark or get up.
- k. the defendant is not using the name in the course of trade
- l. the claimant has not established the existence of goodwill associated with the name, mark or get-up in the course of trade.
- m. the defendant is making honest use of his name or company name.
- n. the claimant has acquiesced in the defendant's use of the name, mark expressly or impliedly granted the defendant permission to use the name or mark.
- o. the claimant is estopped from enforcing his rights under passing off because he has encouraged the defendant's act.
- p. the defence of no common field of activity, that is, the claimant and defendant are not in the same line of business.

And finally, the misrepresentation made by the defendant must be calculated to injure the claimant's business or goodwill.

3.3 Remedies of Passing Off

There are numerous remedies available to the claimant in an action for passing off and they range from injunctions (especially interim injunctions), damages or alternatively an account of profit. Additionally, an order may be granted for the delivery up or destruction of the article to which the name or mark has been applied.

Damages will usually be based upon the actual loss attributable to the passing off that may result from the loss of sales experienced by the claimant. Damages may also be calculated on a royalty basis, that is, based on the amount that would have been payable by the defendant if he had sought a licence to use the name or mark from the claimant.

A royalty basis could be applicable if it would yield a greater amount than that attributable to loss of sales. It will always be difficult to calculate damages resulting from a loss of sales and each sale by the defendant does not necessarily represent a sale lost by the claimant.

Passing off resulting from a false impression that a celebrity has endorsed a product may be determined on the basis of what that celebrity would normally charge as a fee for such endorsement. See *Irvine v. Talksport Ltd* (2003) FSR 619.

If the defendant's action infringes a trade or services mark as well as constituting passing off, the damages that may be awarded will not be cumulative.

3.5 Malicious Falsehood

This is a tort that is related to passing off and is sometimes referred to as trade libel. It could occur where someone publishes information that could be damaging to a trader's position or reputation.

The tort is wide ranging, having originated from slander and developed to include slander of goods and any false disparagement about a business.

It could include a false and malicious statement for instance, that a dismissed company director had broken into the company premises and stolen a cash box, was setting up a business of his own and was in breach of his fiduciary duty as accompany director.

Advertising puff and mere claims that one trader's goods are superior to those of another does not per se, amount to malicious falsehood. The statement complained of must refer to the claimant or his goods or services. In *Schulke & Mayr UK Ltd v. Alkapharm UK Ltd* (1999) FSR 161, the court held that for an action in malicious falsehood to succeed the follow three things must be shown;

4. that the statements were untrue (specifically false and not a mere puff)
5. that the statements were made maliciously, that is, without just cause or excuse.
6. and that the claimant had suffered special damage.

The basis of the action of malicious falsehood is the false statement made maliciously, that is, without just cause or excuse. These two ingredients, falsity and malice, are essential if the claimant is to succeed.

Other examples of trade libel include circulars suggesting that the claimant's goods were not genuine or selling one class of the claimant's goods as a different class which can also amount to malicious falsehood and passing off.

Malicious falsehood could be a possibility where a trader engages in comparative advertising in a way in which the stated facts concerning the other traders' goods are untrue or misleading. In *Compaq Computer Corp v. Dell Computer Corp Ltd* (1992) FSR 93, the defendant advertised using photograph showing its computers including prices and performances. This information was selected so as to show off the defendant's computer as being the best value. This information was found to be misleading, particularly as regards price.

At the interim stage, where malicious falsehood is in issue, and the defendant intends to plead justification, a court will not normally grant an injunction if the statements are not obviously untrue. See *Macmillan Magazine Ltd v. RCN Publishing Co Ltd* (1998) FSR 9.

8.0 CONCLUSION

The establishment and development of passing off is a typically common law method of protecting trader's rights. It is important for traders contemplating operations overseas, to seek registration of trade marks.

It is also pertinent to note that claimants should be careful as the registration of internet domain name, is important to any business because of technology advancement. The domain name registrars should also be more careful in accumulating registered names without use.

Remedies awarded by judges should be commensurate to the damage caused by the defendant.

5.0 SUMMARY

This unit has discussed the idea behind passing off and internet domain name. The learners should be able to explain the concept and purpose of domain name on businesses and the goodwill it has created for his business.

The defences available to the defendant have also been treated, and learners should be able to explain the defences and available case laws in this regard. The remedies as well have been discussed along with malicious falsehood.

6.0 TUTOR MARKED ASSIGNMENT

1. Explain using relevant authorities, the factors which must be proved by a defendant as a defence for the action for passing off.
2. Explain the concept of malicious falsehood as explained in *Schulke & Mayr UK Ltd v. Alkapharm UK Ltd* by Jacob J in order to succeed in an action for malicious falsehood.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).

- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- N. Wood, *The Trouble with Domain Names* (1997)

MODULE FOUR

Unit 1

Design Law

Contents

1.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definition and Nature of Design Law

10.2 History of Design Law

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

4.0 INTRODUCTION

Design law exists to protect that appearance of articles rather than the articles themselves.

It is concerned with how things look. It is important that design law is a part and parcel of industrial property law which takes its principles from intellectual property law.

The underlying idea behind the law of designs is that it involves the two distinct elements of an “article” and / or a “product”. The law on designs has been described as multi-layered, complex and lacking in logic.

5.0 OBJECTIVE

The main objective of this unit is to discuss industrial design law as an aspect of industrial property law. Specifically, we shall discuss the definition and nature of industrial designs. Learners are expected at the end of the unit to be able to offer numerous definitions to the concept of industrial design.

In order to easily understand this concept, some history of the subject matter would be provided.

6.0 CONTENTS

6.1 Definitions and nature of Design Law

A design is an aspect of features applied to an article or product. It is not the article or product itself. In ordinary and normal usage the word design can be taken to mean a plan or a scheme, which may be written or drawn, showing how something is to be constructed, or how the element or an item or article is arranged.

Generally, designs may be for functional articles, such as a can opener, a pen a refrigerator or even a car stereo.

The word design has been defined by the Patent and Design Act in sec 12 to mean:

“Any combination of lines or colours or both, and any three-dimensional form, whether or not associated with colours, is an industrial design, if it is intended by the creator to be used as a model or pattern to be multiplied by industrial process and is not intended solely to obtain a technical result.”

The UK Community Design Regulations defines Design in its Article 3(a) to mean :

“the appearance of the whole or a part of a product resulting from the future of, in particular, the lines, contours, colours, shapes, texture and /or materials of the product and or its ornamentation.”

For a design to pass for registration, the design must be original, though not commonplace, and must relate to features of shapes or configuration of an article. Design for which the appearance of a product to which it has been applied is new and where the design has individual character are within the scope of the registered designs.

Sec 13 (1) of PDA states that an industrial design is registrable if-

- (a) it is new; and
- (b) it is not contrary to public order or morality,

The law on Designs also protects creations of an aesthetic nature in which the aesthetic aspect is arbitrary, i.e. not dictated by the possible function of the object for which protection is sought. The protection period is highly variable from one country to another

and is generally between 15 and 25 years, usually in the form of shorter, renewable periods.

3.2 History of Design Law

The law of design has a reasonably long history dating back to the latter part of the eighteenth century. In 1787, the first Design Act protecting designs was passed. This gave two months to designs applied for linens, cottons, calicoes and muslins. The origins of design law sprang from this.

Several other Acts were passed over the next few years and eventually, these were repealed and replaced by the Patent, Designs and Trademarks Act 1883. A previous distinction between ornamental and useful designs was removed and the duration of protection was set at five years. Later, the Patents and Designs Act 1907 increased the maximum term of protection to 15years.

With the development of artistic copyright came problems of duplication of rights and the Copyright Act 1911, followed by the Copyright Act, 1956 which attempted to remove the overlap between a registrable design and artistic copyright. This was modified by the Design Copyright Act, 1968 which permitted dual protection to a design both as a registered design and under artistic copyright.

If a design is aesthetic it was subject to some other requirements, registrable under the Registered Designs Act 1949 and could be protected for 15years. This has now been

extended to 25years. If the design was functional it was not registrable but could attract artistic copyright through its drawings. This may last for the remainder of the life of the author plus 50years.

The law of designs was radically altered by the Copyright, Design and Patents Act 1988, both in terms of changes to the Registered Designs Act 1949 and the new unregistered designs right. The law prior to the coming into force of this Act remained relevant for designs which were created or recorded before 1 August, 1989.

In Nigeria, the Patents and Designs Act was introduced in 1968. The current legislation is the Patents and Design Act LFN Cap 344.

4.0 CONCLUSION

There are various definitions of the word design. The definition offered in the UK Patents and Designs Act, which is the same as the Nigerian Patents and Designs Act appears to capture the whole essence of the Phenomenon of Patents and Designs.

5.0 SUMMARY

Under this unit, you have learnt the various definitions of Design law as offered by various pieces of legislations and judicial interpretations. The history of the protection of Patents and Designs has been offered with a view to allowing an insight into the evolution of the legislation on protection of Patents and Designs in Nigeria and UK.

6.0 TUTOR MARKED ASSIGNMENT

1. Define the word design from legislative perspective.
2. Briefly give an historical view to the concept of design law.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, Cap 344 LFN 2004.
- Community Design Regulations 2005.

Unit 2

Registered Design Rights

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definition and Brief History of Registered Design Rights

10.2 Requirement for Registrability and Registration

10.3 Ownership and Dealings

10.4 Duration

10.5 Rights of Proprietor

10.6 Infringement and Exceptions

10.7 Defences and Remedies

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

1.0 INTRODUCTION

The importance of a registered design right in an industrial property cannot be overemphasized. Our main focus is the UK registered design right which is the most active

area amongst all industrial property regime. Some references would be made to other jurisdictions in this unit.

In Nigeria the PDA deals specifically with the registered design rights, without a different law for it like the UK and notably there are no provisions for the unregistered design rights like the UK.

2.0 OBJECTIVE

The main objective of this unit is to discuss the registered design right under the various statutes available to be used ranging from the PDA, RDA and CPDA just to mention a few. This unit will offer various definitions to the registered design right, and also the historical development of the concept. We shall also discuss the registration requirements and the concept registration.

Some light would be shed on the duration and renewal of the registered design right as well as the ownership rights of the design right. The infringement, defences and remedies to the concept will also be discussed.

5.0 CONTENT

5.1 Definition and Brief History of Registered Design Rights

An industrial design right is an intellectual property right that protects the visual design of objects that are not purely utilitarian. In s213 (1) of the CPDA, 1988 that design right is a

property right which subsists in an original design. An industrial design consists of the creation of a shape, configuration or composition of pattern or color, or combination of pattern and color in three dimensional forms, containing aesthetic value. See *Ocular Sciences Ltd v. Aspect Vision Care Ltd* (1997) RPC 289.

An industrial design can be a two- or three-dimensional pattern used to produce a product, industrial commodity or handicraft.

The registered design rights cannot apply to surface decoration which is specifically excluded from the registration processes.

The initial demand for a system of registration came from the textile industry, but now all manners of designs are registered. Some of the most common kinds of designs for which registration is applied include packaging and containers, recording, communication and information retrieval equipment and furnishing.

Registered designs were for some time governed by the same statute as patents and for a time trademarks. And the present the statute dealing with registered designs is the Registered Designs Act, 1949 otherwise known as RDA, which was amended by the Copyright, Designs and Patents Act 1988. The 1988 Act included a copy of the Registered Designs Act 1949. The merged 1949 Act was amended by the Registered Designs Regulations 2001 as from 9 December 2001. The changes were made so as to comply with Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on

the legal protection of designs which was designed to harmonise some aspects of the registered designs systems in Europe.

In Kenya, according to Industrial Property Act, 2001, an industrial design is defined as "any composition of lines or colours or any three dimensional form whether or not associated with lines or colours, provided that such composition or form gives a special appearance to a product of industry or handicraft and can serve as pattern for a product of industry or handicraft".

In India the India's Design Act, 2000 was enacted to consolidate and amend the law relating to protection of design and to comply with the articles 25 and 26 of TRIPS agreement. The new Act, (earlier Patent and Design Act, 1911 was repealed by this act) which now defines "design" to mean only the features of shape, configuration, pattern, ornament, or composition of lines or colours applied to any article, whether in two or three dimensions, or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction.

In Canada, the law is quite different from other commonwealth nations. Canada's Industrial Design Act 1985 affords ten years of protection to industrial designs that are

registered; there is no protection if the design is not registered. The Industrial Design Act (R.S., c. I-8) defines "design" or "industrial design" to mean "features of shape, configuration, pattern or ornament and any combination of those features that, in a finished article, appeal to and are judged solely by the eye".

Finally, in Nigeria, the Industrial Design is protected by the Patent and Design Act Cap 344 LFN 1990 otherwise known as PDA.

3.2 Requirement for Registrability and Registration

Registrability

The requirements for registrability of a UK registered design are similar to other countries, Nigeria inclusive:

- The design comes within the definition of design
- The design is new
- The design has individual character,
- None of the substantive grounds for refusal are present

Under the PDA, an industrial design is registrable if-

- (a) It is new; and
- (b) It is not contrary to public order or morality,

Design

A design can relate to part of a product only. This is important where other features of the appearance of the product are not new; do not have individual character or are otherwise

excluded. It is imperative to note that there is no express requirement for eye-appeal or aesthetic quality, it is clear that appearances are important requirements.

Novelty

A design must be new and have individual character. Sec 1b (2) states that a design is new if:

“ ...no identical designs or no design whose features differ only in immaterial details has been made available to the public before the relevant date.

However, the PDA 1990 also states in sec13 (3) that an industrial design is not new if, before the date of application for registration, it has been made available to the public anywhere and at any time by means of description, use or in any other way, unless it is shown to the satisfaction of the Registrar that the creator of the design could not have known that it had been made so available.

In Household Articles Ltd's Registered Design (1998) FSR 676, Laddie J stated that ...if all the differences between the prior art and the design in suit are immaterial or common trade variants then the design in suit

is deemed not to be novel. Immaterial details are features which make no significant visual impact on the design.

Laddie J held further that novelty did not have to be of a sterling or groundbreaking variety. He confirmed that novelty should be judged through the eyes of the ordinary

customer or trader in the relevant goods, in other words, by someone familiar with goods of all type. To be new, the design must not have been made available to the public before the relevant date. The relevant date is the date taken to determine whether a design has been made available to the public.

Individual Character

A design must also have an individual character alongside being new. Sec 1B (3) of the Patent Act, 1949 (UK) states that a design has an individual character if:

“...the overall impression it produces on the informed user differs from the overall impression on such a user by any design which has been made available to the public before the relevant date.”

The relevant date is that as for novelty, with specific provisions for modified designs and priority, the test of the informed user who can be considered to be a customer or other buyer, for example a person who buys the product as part of his employment duties and who takes a particular interest in the type of product concerned.

In *Woodhouse UK Plc v. Architectural Lightning Systems* (2006) RPC 1, Michael Fysh QC, offered the explanation that the informed user was a debutante to the pantheon of fictional English legal characters.

The informed user is also important in relation to infringement, where the alleged infringing design is not identical to the protected design.

In UK, a design may fail to be registered even if the design is new but on the basis of lack of individual character. This means that individual character applies where the design differs in material details over the prior art.

Other factors that may not avail registration include the emblems being contrary to public policy.

Registration

The person claiming to be the proprietor of a design is expected to make an application in form DF2A. The application must be accompanied by one or more representations as specimens of the design. The form also contains a declaration that the applicant believes the design is new and has individual character, subject to any partial disclaimer.

The registrar may allow the applicant to make any modification to the application as the Registrar thinks fit before the application is determined. The importance of determining the date an application is treated as having been made is that it determines the date on which novelty and individual character are assessed.

Sec 15 (1) of the PDA, states the procedure for registration of the design.

The basic rule is that a design is registered as of the date on which the application was made or treated as having been made.

3.3 Ownership and Dealings

The person creating a design is known as the author of that design and the rule is that the author is entitled to be the original proprietor of the design. If the design is commissioned for money or money's worth, the person commissioning the design is the original proprietor.

If a design is made by an employee in the course of employment then the employer is treated as the original owner. There is however a difference as regards first ownership between registered designs and copyright in that the commissioners of designs are automatically given the right of ownership of a registrable design. Usually, the person commissioning a design will be the proprietor of the registered design and will also be the owner of the design right.

An assignment of a registered design automatically carries with it an assignment of the design right, unless the latter is owned by someone other than the proprietor of the registered design. A person claiming to have an interest in a registered design must also show a corresponding interest in the unregistered design right where such right subsists in the design.

It is however, important to note that the register accurately reflects the true position as to proprietorship.

If the wrong person applies, it does not matter whether he is acting in good faith or not. The entry will be wrong (as will be the entry of any subsequent dealings). In *Woodhouse*

UK Plc v. Architectural Lightning Systems (Supra), it was held that an entry of the wrong person as proprietor should not be rectified and the only way forward was to cancel the registration. Causing a false entry to be made on the register is a criminal offence. However knowledge that the entry is false is required for this. Therefore, someone who deliberately applies to register a design knowing that he is not entitled to be the proprietor of the designs commits a criminal offence.

3.7 Duration

The initial registration period of a design is Five years and registration may be renewed for a period of second, third, fourth and fifth period of five years. Most designs have a limited commercial life and it is impossible for it to be renewed more than the third time, under s8 (1) of the PDA 1988. Under section 20 of PDA, 2004, registration of an industrial design-

- (a) shall be effective in the first instance for five years from the date of the application for registration; and
- (b) on payment of the prescribed fee may be renewed for two further consecutive periods of five years.

There is effectively a period of six months' grace, during which time the registration can be renewed without affecting its validity. Where there are two or more persons holding the design jointly, by the leave of the Registrar, the application for restoration can be made by any one or more without joining the others. The design is treated as if it had never expired.

3.8 Rights of Proprietor

The registered proprietor of a design has the exclusive right to use the design and any design does not produce on the informed user a different overall impression. There is little danger that the rights in two different registered designs will overlap. As with individual character, the degree of freedom of the author in creating the design is taken into consideration in determining whether a design produces a different overall impression on the informed user or not.

Where there are two or more joint proprietors, each is treated as the proprietor.

Consequently each has the full rights of a proprietor. The persons or persons registered as proprietor can, subject to the rights vested in others of which notice is entered on the register, assign, grant licences or otherwise deal with the design and give effectual receipts for any consideration for any such assignment, licence or dealing.

3.9 Infringement and Exceptions

The right in a design is infringed by a person who, without the consent of the registered proprietor, does anything which falls within the exclusive rights of the registered proprietor. Section 7A (1) RDA.

Section 226 CPDA, states that the owner has the exclusive right to reproduce the design for commercial purposes. See also the *Ocular Sciences Ltd v. Aspect Vision Care Ltd* (Supra).

Sec 25 of PDA, 2004 states that the acts that infringed the right of a patentee or design owner are infringed if another person, without the licensee of the patentee or design owner, does or causes the doing of any act which that other person is precluded from doing under section 6 or 9 of this Act, as the case may be.

It is also important to note that there are some acts that will not infringe the right in a registered design some of these are;

- an act done for private and non-commercial purposes
- an act done for experimental purposes
- an act of reproduction for teaching purposes
- the use of equipment on ships or aircraft which are registered in another country but temporarily in the UK.
- the carrying out of repairs on such ships or aircraft.

3.7 Defences and Remedies

A defendant may attack the validity of the registered design on one or more of the grounds for invalidity set out under section 22 of the PDA, 2004 and grounds for invalidity set out under section 11Z. Other defences may focus on the alleged infringement producing a different overall impression on the informed user or that the features of the alleged infringing products fall within any limitation on the rights of the proprietor.

Generally, most of the Acts on Design law do not specifically refer to Remedies of the registered design for instance, the Registered Design Act of 1949, the Patent and Design Act LFN 2004. The RDA, 1949 in section 9 makes it clear that injunctions and damages are possible remedies, while before its repeal, section 11B mentioned an account of profits.

An award of damages is not available if the defendant can show that, at the time of infringement, he was not aware and had no reasonable grounds for supposing that the design was registered. If damages are not available for lack of actual or constructive awareness of the right, section 9(2) makes it clear that an injunction still may be granted, an account of profit may also be available regardless of the defendant's lack of knowledge. Orders may also be granted for the destruction of or for the delivery up of infringing articles. See *Cow (PB) & Co. Ltd v. Common Rubber Manufacturing Ltd* (1959) RPC 240.

6.0 CONCLUSION

Registered design is an integral part of intellectual property that must be protected by all means possible. Learners should, from this unit, be able to give a definition of the phrase "registered design right". They should also be able to discuss the remedies available to the owner of the design.

5.0 SUMMARY

In this unit we have discussed the various definitions offered by various statutes. There is little or no assistance provided by case laws in this area of industrial property. Learners

should now be able to offer definitions to the concept as offered by various statutes treated in this unit and also the history.

6.0 TUTOR MARKED ASSIGNMENT

3. What are the features that a design must have in order to be registrable.
4. Explain with statutory authorities and case law, the defences available to the defendant and remedies to the claimant in a registered design rights.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, *Intellectual Property (Sixth Edition)* Pearson Education Limited (2007).
- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition)* London: Sweet & Maxwell (2007).
- Helen Norman, *Intellectual Property* University of London Press (2005).
- Patent and Design Act, LFN 2004.
- Registered Design Act 1949
- Copyright, Design and Patent Act 1988

Unit 3

Unregistered Design Rights

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Definition and Nature

10.2 Subsistence of Rights

10.3 Duration and Ownership

10.4 Assignment and Licensing

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

4.0 INTRODUCTION

The unregistered design rights in industrial property deal with functional designs. The Design Copyright Act 1968 brought the protection for this in the UK. The law relating to designs in Nigeria does not in any way offer protection for designs not registered in Nigeria.

In *British Leyland Motor Corp Ltd v. Armstrong Patents Co. Ltd* (1986) 2 WLR 400, it was seen to be important that persons buying complex products that need repairing during their life should be able to have access to a free market in spare parts, and this is a right in functional designs.

5.0 OBJECTIVE

The main objective of this unit is to discuss unregistered design rights in UK. This is practically an area that is protected in the UK but some jurisdictions, like Nigeria have not been able to do this. This unit will discuss the nature of the concept and the subsistence of the rights, the duration of protection and the ownership as it vests in the individuals who have partaken one way or the other in the design.

It will also go a step further to discuss the concept of assignment of the design and the licences that are available.

6.0 CONTENT

6.1 Nature of Unregistered Design Rights

A design having no eye-appeal for example an overflow pipe for a washing machine, has no form of protection *per se*. Until the 1968 Design Copyright Act, there was a gap in protection for designs which were primarily functional in nature.

Naturally, copyrights were recognized as providing protection for functional designs through the medium of drawings for 50 years after the author's death. See *Sifam Electrical Instrument Co. Ltd v. Sangamo Weston Ltd* (1973) RPC 899.

Thus it is important to note that unregistrable designs were given much longer protection for functional designs than the 15 years maximum then available for registered designs.

The design right is a property right that is subject to qualification requirements. No formalities are required. The right really applies only to designs for three-dimensional articles as surfaced decoration is excluded and is based on features of shape or configuration.

3.2 Subsistence of Right

For the design rights to subsist in a design, it must be original. The design must be fixed in some tangible form by recording it in a design document or by making an article to the design.

Design in this context means the design of any aspect of the shape or configuration of the whole part of an article, whether external or internal.

Configuration means the relative arrangement of parts of an article. In *Mackie Designs Inc v. Behringer Specialised Studio Equipment (UK) Ltd* (1999)

RPC 717, Pumfrey J, accepted that an economic circuit diagram was a design document (being either a drawing or a written description) for the purposes of the design right, and the designs itself were the components and their interconnections.

In *Baby Dan AS v. Brevi SRL* (1999) FSR 377, the Deputy Judge did accept, however that configuration could be a form of arrangement of elements such as the ribbing arrangement of a hot water bottle.

It is possible for the design rights to subsist in designs which are basic geometric shapes, such as a spiral. In *Sales v. Stromberg* (2006) FSR 89, Roger Wyand held that the shape of a sphere may be a commonplace design for a ball but not for a wireless receiver. It is possible that a design right subsists in a component as distinct from the design right in the assembled article.

It is pertinent to note that the design right does not subsist in some aspects of a design, under section 213 (3) CPDA. These aspects will be highlighted here:

- methods of principle of construction
- features of shape or configuration which
 - c) enable the article to be connected to, placed in, around or against another article so that either article may perform its .
 - d) are dependent upon the appearance of another article of which the article is intended by the designer (creator of the design) to form an integral part (the 'must match' exception)

- Surface decoration.

Generally, for a design right to subsist in a design it must be original. In *C& H Engineering v. F Klucznik & Sons Ltd* (1992) FSR 421, the Aldous J said that the word original should be given the same meaning as in respect of copyright, that is not copied but the independent work of the designer.

3.3 Duration and Ownership of Design Right

The duration of a design right is the end of the calendar year during which the right came into existence, the date is referred to as the end of the creation year.

The maximum length of protection for a functional design by way of the design right is 15 years from the end of the creation year. Where the design has been commercially exploited then the period will be less than that.

The owner of a design is given 10 years to exploit and the last five years licences are available as of right. Design rights will always expire at the end of a calendar year irrespective of the actual dates of creation or first exploitation.

Ownership

The first ownership is conditioned by the route to qualification and four possibilities exist, there being a one to one correlation between the qualifying individual or person and the first owner: The provisions as to ownership were considered in details in *Ultraframe (UK) Ltd v. Fielding* (2004) RPC 479.

Employee Designs

In cases of qualification by reference to the employer, the employer is the first owner of the design right. The meaning of employee has its well understood meaning of employment acting under a contract of service or apprenticeship. In *Secretary of State for Trade and Industry v. Bottrill* (2000) 1 All ER 915, Woolf LCJ, took into account the fact that factors such as the degree of control exercised by the company over the shareholder employee.

Commissioned Design

For a commissioned design to belong to the commissioner at first instance, it must be created in pursuance of the commission. In *Appeal Corps Ltd v. Cooper* (1993) FSR 286, it was held that the act of commissioning must come before the creation of the work, imposing an obligation to pay for the work, prior to its creation.

In respect of commissioned designs, in *Sales v. Stromberg* (2006) FSR 89, it was confirmed that an agreement to pay for a design provisional upon it being liked by the person alleging that it was created under a commission did not fall within the provisions for commissioned designs.

Designer as Trustee

Directors act as fiduciary agents for their company and trustees of the property of the company in their hands or under their control. See *Aveling Barford Ltd v. Perion Ltd* (1989) BCLC 626,

In *Ultraframe (UK) Ltd v. Fielding (Supra)*, the court held that a certain D held the design rights in trust for the company through whom he was operating his business at the time he created the designs.

Joint Designers and Joint Ownership

Joint first owners are possible where there is a joint design, being one created by two or more designers acting in collaboration where the contribution of each is not distinct from the other(s). A joint owner's contribution need not be in respect of recording the design but it has to be in relation to the design itself and it is not sufficient if it only relates to the manufacture of articles made to the design. In *Fulton Co Ltd v Grant Barnett & Co Ltd*, (2001) RPC 257, persons making mould for umbrella handles and sewing machinists making cases for the umbrella were working under the instructions of an employee of the claimant and were not, subsequently, designers in respect of the design right.

3.4 Assignment and Licensing

Design rights can be assigned but this must be done in writing and signed by or on behalf of the assignor. The right can be also pass by testamentary disposition or by operation of law. Note that an assignment may be partial, limited to apply to not all the exclusive rights of the owner, or limited in terms of duration.

Licences may be granted by the owner and may be exclusive or otherwise. An exclusive licence must be in writing signed by or on behalf of the design right owner and an

exclusive licensee who have the same rights and remedies, except against the owner, as if the licence had been an assignment.

Licences are available as of right in relation to the design right during the last five years of the subsistence of the right.

4.0 CONCLUSION

This unit has discussed the concept of unregistered design right. This concept is available to UK citizens and the countries under the community designs right, but only available to citizen of other countries who have been resident in the UK for a considerable period of time.

5.0 SUMMARY

This unit has discussed the nature of unregistered designs right as highlighted by various legislations and also rights that accrue to the designers of the design from the course of employment, to commissioned work and also designs held in trust. Finally, we also discussed the duration of the design, and the rights in assignment and licence.

6.0 TUTOR MARKED ASSIGNMENT

1. Discuss the concept of ownership of an unregistered right in relation to the course of employment and commissioned design with the aid of case laws.
2. Licences are available as of right in relation to the design right during the last five years of the subsistence of the right. Discuss

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).
- William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trademarks and Allied Rights (Sixth Edition) London: Sweet & Maxwell (2007).
- Registered Design Act 1949
- Copyright, Design and Patent Act 2004

Unit 4

Defences and Remedies of an Unregistered Design Right

Contents

8.0 Introduction

9.0 Objective

10.0 Contents

10.1 Rights of Owner and Infringements

10.2 Exceptions

10.3 Defences

10.4 Remedies

11.0 Conclusion

12.0 Summary

13.0 Tutor Marked Assignment

14.0 References/Further Reading

1.0 INTRODUCTION

The unregistered design right as we have discussed in the last unit stands to protect the unregistered design right of a functional design. This unit discusses the right of the owner, infringements, thereon the defences and the remedies available in other property rights.

2.0 OBJECTIVE

This unit is set out to discuss the second part of the unregistered designs right. It also discussed the rights of the owner of the design along with the infringement on those rights.

The exceptions will also be looked into, as well as the defences that the defendant can plead in the action and lastly, the remedies that the claimant can rely upon.

3.0 CONTENT

3.1 Rights of Owner and Infringements

The owner of a design right subsisting in a design has the exclusive right to reproduce the design for commercial purposes by making articles to the design, or by making a design document recording the design for the purpose of enabling such articles to be made.

Commercial purposes, however refers to things done with a view to the article in question being sold or hired in the course of business.

In *Baby Dan AS V. Brevi SRI* (1999) FSR 377, it was held that, where difference between the designs in question and earlier designs are small, making the degree of originality small, the claimant can only succeed if the difference between the claimant's design and defendant's design are close in comparison.

The general principle of infringement in copyrights apply to that of designs as well. That is there must be copying and causal connection. That is, the infringing design must have been

copied directly or indirectly, from the first design. A close similarity coupled with an opportunity for copying will often be sufficient to change the burden of proof. See *Sales v. Stromberg* (2006) FSR 89.

There two main infringements that will be discussed here, they are primary and secondary infringement.

Primary Infringement

The design right is infringed by any person who does anything without the licence of the right owner which is the exclusive right of the owner. In *C &H Engineering v. F Klucznik & Sons Ltd* (1992) FSR 421, it was that section 226 of CPDA required the owner of the design right to show copyright before infringement could be proved and in this respect the design right is similar to copyright. As design rights infringement depends on copying, the defendant will know what part or parts he has taken exactly or substantially.

Indirect reproduction also infringes, and it is immaterial whether any intervening acts themselves infringes. See *Squirewood Ltd v. H Morris & Co Ltd* (unreported) 1 April 1993.

Secondary Infringement

Secondary infringement occurs when a person, without the licence of the design right owner, does any of the following acts in relation to an article which is an infringing article and the person knows this or has reason to believe it to be so;

- d) imports into the UK for commercial purposes

e) has in his possession for commercial purposes,

f) sells, hires or offer or exposes for sale or hire, in the course of a business.

In *A Fulton Co Ltd v. Grant Barnett & Co Ltd* (2001) RPC 257, it was held inter alia that the defendant was liable for secondary infringement as the defendant had reason to believe it was dealing with infringing articles.

3.2 Exceptions

It is not an infringement to copy features of a design that are excluded from the scope of subsistence of design right or parts of the design of an article that are otherwise not protected, because they lack originality. Other rights may be infringed like unregistered designs. If copyright subsists in a work which consists of or includes a design in which design right subsists, it is not an infringement of the design right to do anything which is an infringement of the copyright in the work.

During the last five years of a design right, licences are available as of right, the terms of licence of right, in default of agreement, shall be settled by the Comptroller.

3.3 Defences to Infringement

A person who has allegedly infringed a design may plead several defences. The best form of defence however is to attack the validity of the right.

Other defences include the following;

4. that right is not valid because the features copied fall within the exceptions.

5. that claimant's design did not originate from the designer or is a commonplace and therefore not original in that sense.
6. that design right has expired.

Assuming that the design is valid, other defences which might be raised by the defendant include:

- that claimant does not have *locus standi*
- that act does not fall within the scope of primary and secondary infringement
- that alleged infringement occurred before the right existed or after the right expired

Acquiescence is always a potential defence where the circumstances are such that the claimants have made it clear by his conduct that he has assented to the infringement and will not commence proceedings in respect of it.

As regards the limitation period, for tort it is six years from the date from which the cause of action arises. Where the infringement continues or is repeated, fresh cause of action will arise.

In *Farmers Build Ltd v. Carrier Bulk Materials Handling Ltd* (1999) RPC 461, the claimant knew that its rights were being infringed but decided to wait to see how successful the defendant's infringing machines were. This was held not sufficient to count as acquiescence even when the claimant and defendant continue to have a trading relationship during which the period the infringement was taking place to the knowledge

of the claimant. The court held that the fairly modest delay by the claimant in bringing the action was not sufficient for acquiescence.

6.4 Remedies

An exclusive licensee has, except against the design right owner, the same rights and remedies as if he were the owner of the right.

The remedies available in this area of law are similar to all other intellectual property right. Damages, injunctions, accounts or otherwise are available to the claimant as they are in respect of the infringement of any other property right.

Under this head an award of damages is not available in the case of primary infringement, without prejudice to other remedies, if it is shown that, at the time of the infringement the defendant did not know and had no reason to believe that the design right subsisted in the design.

However, in the case of secondary infringement, a defendant who shows that the infringing article was acquired innocently by him or his predecessor-in-title will be liable only to pay damages not exceeding a reasonable royalty.

The court has discretion to award additional damages which are provided under section 229 (3) CPDA, using an identical formula to that used for copyright, that is, having regard to all the circumstances in particular, the flagrancy of the infringement and the benefit accruing to the defendant.

It is unlikely that additional damages will be awarded frequently in design right cases as, usually, normal damages or account of profits will be satisfactory.

4.0 CONCLUSION

In every matter on design law, all rights accruing to the claimant and defendant are present in an unregistered designs right like those available in registered designs rights.

5.0 SUMMARY

This unit has discussed the rights of the owner of design right, and also the infringement that the defendants could do against the design of the claimants as well as the defences available to the said defendants. The remedies that the claimant could get against the defendant are more the same with those available under other property rights.

6.0 TUTOR MARKED ASSIGNMENT

1. Discuss with decided cases some aspects of secondary infringement that the defendant can commit against the claimants design.
2. Explain the remedies available to a claimant in an unregistered design right action.

7.0 REFERENCES/FURTHER READING

- David I Bainbridge, Intellectual Property (Sixth Edition) Pearson Education Limited (2007).

- William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights* (Sixth Edition) London: Sweet & Maxwell (2007).
- Copyright Design and Patent Act 2004