

This article seeks to highlight some legal and practical issues concerning pharmaceutical trademarks and patents that foreigners should be aware of.

Trademarks

Registration

Nigerian law provides that a trademark can be registered only for goods or classes of goods in respect of which the owner of the mark has acquired or intends to acquire a reputation for dealing in within Nigeria. Where therefore goods are dealt in only outside Nigeria a trademark in respect of such goods cannot be registered in Nigeria unless the owner of the mark has the intention to deal in those goods within Nigeria. In practice the Trademarks Registry does not require applicants to produce evidence of such intention. It is therefore quite easy for persons who have no right to a mark to have it registered as their own, especially as the law does not specify who is entitled to apply to register a mark.

For the purpose of registration of trademarks, Nigerian law classifies goods into the thirty-four International classes. Multi-class applications are not allowed so a separate application must be made for registration in each of these classes.

To be eligible for registration a trademark must be distinctive; and if it is a word it should be adapted so as to distinguish it from ordinary words. The present definition of a mark does not, however, include the packaging, shapes or presentation of goods. These are therefore not registrable.

Notwithstanding that it is distinctive, a trademark is not registrable if, amongst other things, it is the commonly used and accepted name of any single chemical element or single chemical compound, as distinguished from a mixture; unless it is a word which is used to denote only a brand or make of such an element or compound as made by the proprietor or a registered user of the trademark as distinguished from the element or compound as made by others, and in association with a suitable name or description open to the public.

Application for the registration of a trademark may be made by the proprietor or by an agent except in the case of a foreign proprietor where a local agent must be used.

Duration and renewal

Trademarks are registered for an initial period of seven years from the date of the application for registration. After this they can be renewed for subsequent periods of fourteen years in perpetuity.

Service marks

Nigerian law does not presently provide for the registration of service marks as registrable marks are defined only in relation to use on goods.

Convention Applications

Nigerian law, since 1965, has contained a provision for the making of 'Paris Convention' trademark applications. However, the necessary ministerial declaration which would specify the countries that were to be recognised in Nigeria as Convention countries has never been made. Consequently, the Trademarks Registry has not in practice been accepting Convention applications. The legality of this practice has never been tested in court.

Rights conferred by Registration

Registration of a trademark confers on the registered owner the exclusive right to use the trademark in relation to the goods mentioned in the register as well as the right to assign the trademark or grant a licence in respect of the trademark to any person. Registration also confers a right of action on the registered owner in cases of infringement.

Infringement

The reliefs available to the registered owner whose mark has been infringed include injunction, delivery up of the infringing articles and damages for loss of profit. Passing off is also actionable. Jurisdiction over these matters is vested in the Federal High Court.

Well known trademarks

Where a registered trademark consisting of an invented word or words has become so well known that its use by other persons in relation to other goods "*would be likely to be taken as indicating a connection in the course of trade*" between those other goods and the owner of the well known mark, the mark may be registered by the owner in respect of those other goods as a defensive trademark, notwithstanding that the owner does not use or propose to use the mark in relation to those other goods.

Patents

An invention is patentable in Nigeria if;

- a) it is new, results from inventive activity and is capable of industrial application; or
- b) it constitutes an improvement upon a patented invention and also is new, results from inventive activity and is capable of industrial application.

An invention is capable of industrial application if that invention can be manufactured or used in any kind of industry, including agriculture.

Patents cannot, however, be obtained in respect of (i) plant or animal varieties or essentially biological processes for the production of plants or animals (except microbiological processes and their products); (ii) inventions the publication or exploitation of which would be contrary to public order or morality; or (iii) principles and discoveries of a scientific nature.

The right to a patent in respect of an invention is vested in the person who, whether or not he is the true inventor, is the first to file an application, or the first to validly claim a foreign priority for an application, in respect of the invention. However, whether the true inventor is the applicant or not, he is entitled to be named as such in the patent and this right cannot be modified by contract.

An application must relate to only one invention but may cover claims for any number of products or processes.

Examination - only as to form

Examination of patent applications is only as to form. The Registrar of Patents will not, in considering any application for a patent, enquire whether the subject of the application is patentable, whether the description and claims satisfy the requirements of the law or whether there has been a prior application for, or a prior grant of, a patent in respect of the same or a similar invention as that under consideration. Patents are therefore granted at the risk of the patentee and without guarantee of their validity.

Nullity of Patent

Since patents are granted at the risk of the patentee and without guarantee of their validity, they are liable to be attacked and set aside for invalidity at any time on the application of any person. A patent may be declared null and void on any of the following grounds:

- a) that the subject-matter is not patentable; or
- b) that the description (specification) of the claim does not conform with the statutory requirements; or
- c) that a patent has been granted already in respect of the same invention.

Duration

A patent is granted for a period of twenty years from the date of filing of the patent application. During the life of the patent the patentee must pay a prescribed annual fee in order to maintain the patent and if this fee is not paid within six months of the anniversary date the patent will lapse. A lapsed patent cannot be restored.

Convention applications

Unlike in the case of trademarks, the necessary ministerial declaration has been made and the countries that are to be recognised as Convention countries have been listed. This declaration and list were made in 1971 and included the Paris Union members of the time. No subsequent declaration or list has been made. It is therefore not clear whether subsequent signatories to the Paris Convention qualify as Convention countries in Nigeria. In practice the Registrar of Patents has been accepting Convention applications from these later countries. The legality of this practice has, however, not been tested in court.

Rights Conferred by a Patent

A patent confers upon the patentee the rights to preclude others from:

- a) in respect of a product - making, importing, selling, using or stocking it for the purpose of sale or use; or
- b) in respect of a process - applying the process or doing in respect of a product obtained directly from the process any of the acts mentioned above.

However, the rights are subject to two limitations, viz.:

- i) they extend only to acts done for industrial or commercial purposes but do not extend to acts done in respect of a patented product after it has been lawfully sold. Thus, the rights do not cover private and domestic use of the product; and
- ii) they do not touch a "concurrent user". A "concurrent user" has the same rights in respect of the product as a patentee.

Also, a patentee has the right of assignment and transmission of the patent or grant of a licence in respect of the patent.

Infringement

An infringement is actionable at the suit of the patentee or his assignee. A licensee cannot sue in the first instance but must first of all require the licensor to sue to remedy the infringement. However, if the licensor (that is the patentee) unreasonably refuses or neglects to institute proceedings, the licensee may do so in his own name without prejudice to the right of the licensor to intervene in the proceedings.

In an action for infringement, all relief by way of damages, injunction, accounts or otherwise is available to the patentee as is available in any corresponding proceedings for infringement of other proprietary rights. Jurisdiction over legal proceedings is vested in the Federal High Court.

International Conventions and Treaties

Nigeria is a member of the Paris Union (since 1963), the Berne Union (since 1993) and the World Intellectual Property Organisation [WIPO] (since 1995).

Nigeria is, however, not a signatory to the Patent Cooperation Treaty. Nigeria is also not a member of the African Regional Industrial Property Organisation (ARIPO), the O.A.P.I. (African Union Territories), or any other body that provides for regional registration of intellectual property rights. Consequently, registration of intellectual property rights in Nigeria can be obtained only by making application in Nigeria.

Regulation and Control of Food & Drug Marketing.

The National Agency for Food and Drug Administration and Control (NAFDAC) is the agency charged with regulating and controlling the importation, exportation,

manufacture, advertisement, distribution, storage, sale and use of foods, drugs, cosmetics, medical devices, detergents, bottled water and chemicals. This agency has published the following regulations dealing with foods and drugs. The regulations are:

- Bottled Water (Advertisement) Regulations
- Bottled Water (Labelling) Regulations
- Bottled Water Registration Regulations
- Cosmetic and Medical Devices (Advertisement) Regulations
- Drug Products Advertisement Regulations
- Food Grade (Table or Cooking) Salt Regulations
- Food Products (Advertisement) Regulations
- Food Products Registration Regulations
- Pesticide Registration Regulations
- Pre-packaged Food (Labelling) Regulations

Briefly, the thrust of these regulations is to protect members of the public by providing, inter alia, that:

- food products and drug products must be registered with NAFDAC before they can be sold or advertised in Nigeria;
- the labelling of any product must indicate the name of the product and the constituents of or ingredients in the product as well as the manufacturer of the product;
- the expiry date of any product must be indicated on its packaging;
- the trademark, labelling or advertising of any product must not misrepresent the nature, qualities or origin of the product or be otherwise misleading;

- information regarding ionization or other special treatment of pre-packaged food must be provided;
- for food products, details of any nutritional claim must be stated on labelling;
- advertisements for drug products must have the prior clearance and approval of NAFDAC;
- labelling or advertising statements claiming or implying a superlative function may not be used unless the statements can be substantiated;
- directions for use must be provided with packaging; for drug products, indications for use as well as contra-indications must also be provided;
- no advertisement may claim that a drug is for the treatment, prevention or cure of any of a list of 66 diseases, disorders or abnormal physical states (from AIDS to yellow fever);
- prescription drugs may not be advertised to the public.

In addition, the Non-Nutritive Sweeteners in Food Products Regulations prohibit the use of non-nutritive sweeteners in food products intended for infants and children while the Non-Nutritive Sweeteners in Drug Products (Prohibition) Regulations prohibit the use of non-nutritive sweeteners in all drug products. The Cosmetic Product (Prohibition of Bleaching Agents, etc.) Regulations prohibit the use of certain skin bleaching agents in cosmetic products. Such bleaching agents include Hydroquinone, Corticosteroids Mercury and Mercury Compounds.

The Marketing (Breast-Milk Substitutes) Decree No. 41 of 1990 prohibits, amongst other things, the sale, advertisement, distribution or offer as sample or gift to

members of the public, of breast-milk substitutes or infant formula unless such products have been registered with the Food And Drugs Administration of the Federal Ministry of Health. Hospitals and other medical establishments are however prohibited from being used as avenues for the promotion of the sale of breast-milk substitutes or infant formulas notwithstanding that the product has been registered (S.2 and S.7).

Consequences of failure to register product with NAFDAC

The absence of NAFDAC registration may prevent a trademark owner from bringing a successful passing off action. In a recent ruling on an application for injunction to restrain infringement the Federal High Court appears to have taken the view that where a drug had not been registered with the NAFDAC the sale or advertising of it in Nigeria would be unlawful. Since no lawful marketing or advertising in Nigeria could occur, a trader could not claim to have acquired in Nigeria any reputation or goodwill in respect of such goods arising from marketing and advertising in Nigeria. Consequently an action for passing off was not likely to succeed. The court therefore refused the application for an injunction. Also, although the plaintiff (a foreign trademark owner) had filed a trademark application in Nigeria the trademark had not yet been registered and as a result the statutory right of action against infringement was not available.

The Central Bank of Nigeria has recently directed banks in Nigeria not to effect remittances in respect of the importation of food and drug products which do not have NAFDAC registration.

Clearly, the importance of prompt registration of foods and drugs with the NAFDAC cannot be over-emphasised.

Offences and Penalties

Section 1 of the Counterfeit and Fake Drugs and Unwholesome Processed Foods (Miscellaneous Provisions) Decree No. 25 of 1999 prohibits any dealing in counterfeit, adulterated, banned or fake, substandard or expired drugs or unwholesome processed foods. Section 2 prohibits the sale or display of drugs or poisons in certain premises or places. Penalties for breach of these provisions include fines of up to N500,000 and imprisonment for up to 15 years.

Technology Transfer

The National Office for Technology Acquisition and Promotion (NOTAP) is the agency charged with protecting Nigerians entering into agreements for the transfer of foreign technology and with regulating the terms of such agreements. It is empowered to register and to monitor the implementation of such agreements including agreements for the use of trade marks or of patented inventions.

In deciding whether to register an agreement the NOTAP seeks, amongst other things, to satisfy itself that;

the agreement obliges the foreign party to have a Management Succession Programme and a Comprehensive Training Programme for Nigerians;

so far as possible plant and machinery are to be sourced locally;
the prices at which a licensor supplies goods and services are competitive;
the use of foreign consultants is kept to a minimum;
rights to improvements in technology remain with the Nigerian licensee;
disaggregation of technology is avoided;
the Nigerian party is free to export its products to other countries;
the duration of the agreement is limited to not more than ten years, except in special cases;
royalties, license fees and other fees do not exceed 5% of net sales.

Litigation

Ex parte, interlocutory orders for search and inspection upon the principles and subject to the cautions laid down in the United Kingdom case of *Anton Piller KG v. Manufacturing Processes Ltd* are available in Nigeria. In addition, Nigerian courts now permit class actions where named defendants are sued on their own behalf and on behalf of and as representing all other persons dealing for the purpose of trade in the infringing article.