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Olaniwun Ajayi LP

Intellectual Property

September, 2015

CYBERSQUATTING UNDER NIGERIAN LAW

Introduction

As aptly noted by W. Cornish & D. Llewellyn, in their book, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights, Sixth Edition, Sweet & Maxwell, London, p.862*: "As E-commerce has grown, the internet has become a virtual space in which unfair trading with marks, brands and business names is likely to take place. To some extent, the structure of the system causes old dangers of public confusion to appear in new forms." At this point, it is apt to note the system for domain name registration, which generally operates on a first-come first-serve basis, and allows anybody who is entitled, to register a domain name without proof of the intended commercial use. This has unarguably been a thorn in the flesh of various individuals and corporate bodies, who own established trademarks and often seek ways to protect their trademarks in the era of the internet. Notably, it is no news that the advent of the internet marked the herald of cyber-linked issues such as cybersquatting, cyber piracy and the most damaging of all, trademark infringement.

In Nigeria, prior to the enactment of the Cybercrimes (Prohibition, Prevention, Etc) Act 2015 (the **Act**), cybersquatting could only be curbed arguably within the law of trademarks or the tort of passing off, which proved inadequate for this rampant illicit act. However, with the recent enactment of the Act, came into existence a legal framework, governing various aspects of online activities, including criminalizing the act of cybersquatting.

It is in this wise that this newsletter will consider the modern phenomenon of cybersquatting in the context of trademark infringement through the registration of domain names of registered marks.

Cybersquatting

The Act defines cybersquatting as; "the acquisition of a domain name over the internet in bad faith to profit, mislead, destroy reputation, and deprive others from registering the same, if such a domain name is; (i) similar, identical, or confusingly similar to an existing trademark registered with the appropriate government agency at the time of the domain name registration; (ii) identical, or in any way similar with the name of a person other than the registrant, in case of a personal name; and (iii) acquired without right or with intellectual property interests in it.

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Trademark

In Section 67 of the Nigerian Trade Marks Act (**TMA**), a "trademark" is defined to mean "a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods or services and some person having the right either as proprietor or as registered user to use the mark, whether with or without any indication of the identity of that person, and means, in relation to a certification trade mark, a mark registered or deemed to have been registered under section 431 of this Act."

Domain Names as a Mark under the Trade Mark Act

While the definition of trademark as contained in section 67 of the TMA does not contain 'services' and thus, could arguably be said to be restrictive, a careful read of the definition of a 'trademark' under the TMA reveals that there is nothing in the TMA, particularly section 67 of the TMA providing a restrictive definition for a 'mark'. The definition of a 'mark' under the TMA is quite broad and can arguably accommodate a 'domain name.' Section 67 TMA defines a 'mark' to include; 'a device, brand, heading, label, ticket, name, signature, word, letter, numeral, or any combination thereof.' Flowing from this, it can thus be said that a 'domain name,' when used in relation to any goods, and same being identical with or so nearly resembling such goods, as to likely deceive or cause confusion, in the course of trade can be said to be an infringement of a registered mark. (Section 5(2) TMA).

Cybersquatting: An infringement of Trademark?

The requirements for an action hinged on trademark infringement in Nigeria, as provided for in section 5(2) TMA are as follows: (x) The trademark must have been used by a person who is neither a proprietor nor has obtained permission to use same; (y) The mark used must have been identical with the trademark or so nearly resembling it; (z) The mark used must be likely to deceive or cause confusion in the course of trade and in relation to any goods or services in respect of which it is registered; and (zz) The mark must have been used as a trademark or used upon the goods or services in the course of trade.

The first limb of the definition of cybersquatting under the Act, prohibits the registration of domain names that are, "similar, identical, or confusingly similar to an existing trademark registered with the appropriate government agency at the time of the domain name registration." Therefore, a clear link between cybersquatting and trademark infringement has been created, thereby reducing the need to accommodate cybersquatting within the framework of section 5 (2) of the TMA which some have argued, cannot be appropriately expounded to accommodate cybersquatting actions.

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Criminalisation of Cybersquatting in Nigeria: A Welcome Development

The Act provides a legal framework for the commission of various internet related activities including cybersquatting. By virtue of Section 25(1) of the Act, the act of cybersquatting is punishable on conviction to imprisonment for a term of not more than 2 years or a fine of not more than ₦5,000,000 or to both fine and imprisonment.

In addition, Section 25 (3) of the Act empowers the Federal High Court to make an order directing the offender to relinquish such registered name, mark, trademark, domain name, or other word or phrase to the rightful owner.

It is important to note that the Act does not prohibit cybersquatting solely where the domain name is registered due to trademark infringement. Interestingly, the Act also defines cybersquatting to include the acquisition of a domain name which consists of the personal name of a person.

Conclusion

In précis, whilst some have argued that with the introduction of the Act, the only remedy to cybersquatting in Nigeria is through the provisions of the Act, it may also be rightly argued that the existing TMA can also accommodate actions arising from domain name disputes and cybersquatting, where the domain name is a registered trademark. However, the penalties under the Act are more stringent than the civil remedies which would be available under the TMA. Consequently, the Act may become the more preferable legal remedy for cases where cybersquatting and trademarks intersect.

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