

# Talking trademarks in Africa

By [Darren Olivier](#)

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Recent developments mean that trademark owners should make plans both to develop their brands' presence and to protect their rights in (and from) Africa.

Brand investment into Africa is modest by world standards as companies in the West have tended to focus on emerging economies in Asia and the Middle East. The number of trademarks filed annually by African-based companies is not large either. For example, the total number of filings at the Office for Harmonization in the Internal Market (OHIM) using African addresses between 1996 and 2007 was 2,288 - or just over 1% of filings originating from outside the European Union.

However, there are recent signs of a 'trademark warming' in Africa:

- African governments are becoming increasingly outspoken on the need to protect intellectual property;
- Counterfeiting is rising significantly, showing both a market for brands and a need for proper brand protection;
- Africa's largest inward investment deal was signed last year;
- The continent's European filings at OHIM were at their highest in 2007 relative to previous years; and
- The continent will host FIFA's World Cup Football event, a traditional showcase for multinational brands, in 2010.

Bearing in mind that the African continent is the second most populous in the world, and hence a significant potential market, Africa's call for attention on the trademark manager's budget spreadsheet should be getting louder. This column focuses on recent developments on the continent affecting trademark management decisions.

SA has launched its own alternative dispute resolution procedures and rules in relation to its country-code top level domain (ccTLD), while the Nigerian Internet Registration Association has agreed to regulate '.ng', Nigeria's ccTLD.

Both of these developments should:

- enhance the need for registered trademark protection to assist in defending against cybersquatters; and
- provide comprehensive protection to one's trademark against cybersquatters.

## Recent court decisions

In *British American Tobacco Kenya Ltd v Cut Tobacco Kenya Ltd*, Kenya's Court of Appeal held that there can be no proprietary rights in a particular colour. The Cape High Court of South Africa held in favour of Crocs Inc and others defending an appeal brought by Shoprite Checkers against a counterfeit goods seizure by them in South Africa.

The Board of Appeal of the African Regional Industrial Property Organization (ARIPO) issued its first appeal decision last August. The case involved competing applications for the marks FONES 4 U by two different proprietors filed on separate dates. The board stressed that ARIPO should “strictly observe the [Banjul Protocol on Marks] with respect to time limits information delivery, procedure and processing of applications, procedure on appeals and rules of natural justice”.

## Counterfeits

The World Customs Organisation now regards African countries as the main concern in Europe's fight against counterfeit goods, which are said to be worth over US\$200 billion in trade every year. SA, Tanzania, Zambia and Zimbabwe have all conducted recent high-profile raids to prevent counterfeits from entering their market. This should encourage brand owners to file defensive applications in counterfeit hotspots or otherwise consider whether there is a dormant market they should tap into.

The Japanese Patent Office has agreed to establish a significant fund aimed at assisting Africa in developing human resources in the IP field.

Other encouraging developments include the following:

- Ministers in a number of countries, notably Botswana and Zambia, have spoken out on the need for effective IP protection;
- Regulators have cleared the Industrial Commercial Bank of China's (ICBC) bid to purchase 20% of Africa's largest banking group (Standard Bank) for R36.7 billion (US\$4.9 billion); and
- Angola is tipped to have the fastest growing economy in the world by *The Economist*. While Africa cannot yet claim to be at the forefront of IP protection in comparison with the US or Europe, properly spent funds should assist in persuading brand owners to invest in Africa. The ICBC deal is seen as a strong vote of confidence in Africa and the football world cup will shine a spotlight on Africa (and on companies' brand protection).

## Other considerations

As over 70% of all EU filings from Africa come from SA, EU and even US law firms looking to strike reciprocity deals may be minded to use a single firm for all of their African trademark requirements. For a number of reasons (including low legal costs and similarities in legal systems), SA may also be considered as a cost-effective destination for outsourcing the management work of all or part of a brand owner's trademark portfolio. As Africa is home to numerous languages, advice may be required on filing for translations and even transliterations to protect properly one's brand.

For example, Google recently opened an office in SA which offers its search services in Afrikaans, Sesotho, Zulu and Xhosa. As overall filings from Africa appear to be increasing too, brand owners outside of Africa may be minded to extend their watching services to cover some African based competitors.

The filing and enforcement of trademarks in Africa can be somewhat daunting. This is often because of different cultures, poor communications systems, a sometimes overly easygoing attitude and occasionally pure ignorance. However, things seem to be changing and one need only ask McDonald's Inc of the problems and huge cost it had to incur in trying to get its trademark back from an infringer in SA in the mid-1990s: Africa is a risk not worth ignoring.

## ABOUT THE AUTHOR

Darren Olivier is a director of Bowman Gilfillan Inc and co-author and founder of the Afro-IP blog (<http://afroip.blogspot.com/>). Email [himat.d.olivier@bowmangilfillan.com](mailto:himat.d.olivier@bowmangilfillan.com)