

ENFORCING INTELLECTUAL PROPERTY RIGHTS IN UGANDA



A presentation in the WIPO Training of Trainers Program on Effective Intellectual Property Asset Management by Small and Medium- Sized Enterprises (SME) in kampala, Uganda November 7, 2014 organised by WIPO in conjunction with Uganda Registration Services Bureau (URSB) by **Abinyo Susan Chief Magistrate, Courts of Judicature, Uganda**

Abstract: The presentation briefly covers the various Intellectual Property Rights generally but narrows the scope of enforcement to only Trademarks, Patents and Copyrights. It entails the requirements for registration and protection, rights acquired and legal remedies available in cases of infringement of those rights. What amounts to infringement of Trademarks, Patents and Copyright works is elaborated.

Intellectual property very broadly means the legal rights which result from various intellectual activities. These include rights relating to¹:-

- Trademark, service marks, commercial names and designations.
- Invention in all fields of human endeavor (patents).
- Industrial designs.
- Scientific discoveries.
- Literary, artistic and scientific works (copyright)
- Performances of performing artists, producers of phonograms and broadcasters (neighbouring rights).
- Protection against unfair competition.
- Trade secrets.

For these rights to be legally recognised and protected there are formal requirements which must be complied with.

A trademark means a sign or mark or combination of signs or marks capable of being represented graphically and capable of distinguishing goods or services of one undertaking from those of another undertaking. A sign or mark includes any word, symbol, design, slogan, logo, sound, smell, colour, brand label, name, signature, letter, numeral or any combination of these capable of being represented graphically. (*Section 1 of the Trademarks Act 17/2010.*)

A trademark protects goods whereas a service mark protects services. There are different types of marks: a service mark eg IAA & AAR, a collective mark eg Mukwano, a certification mark eg UNBS, a defensive mark, an associated mark and well known marks eg Philips.

The formal requirements for a trademark to be eligible for registration are;

- i. It must be distinctive in order to enable registration under part A and capable of distinguishing goods and services to enable registration under part B.

In other words, it should not be deceptive (misleading). Registration under part A requires the element of distinctiveness which is acquired through use eg Uganda Waragi while registration under part B requires the element of capability of distinguishing which is inherent eg Coca cola & Pepsi cola, Shell and Total.

(Section 4 (1) & (2) respectively of the Trademarks Act, 2010)

¹ *WIPO Intellectual Property Handbook (2004)*^{2nd} edition ,Geneva pg 3

- ii. It must not be descriptive. It is descriptive if it describes the nature or identity of the goods or services for which it is used.
- iii. It must relate to particular goods or services. This is the rationale for classification, for example registration may be under part A or B as provided in the Trademarks Act.

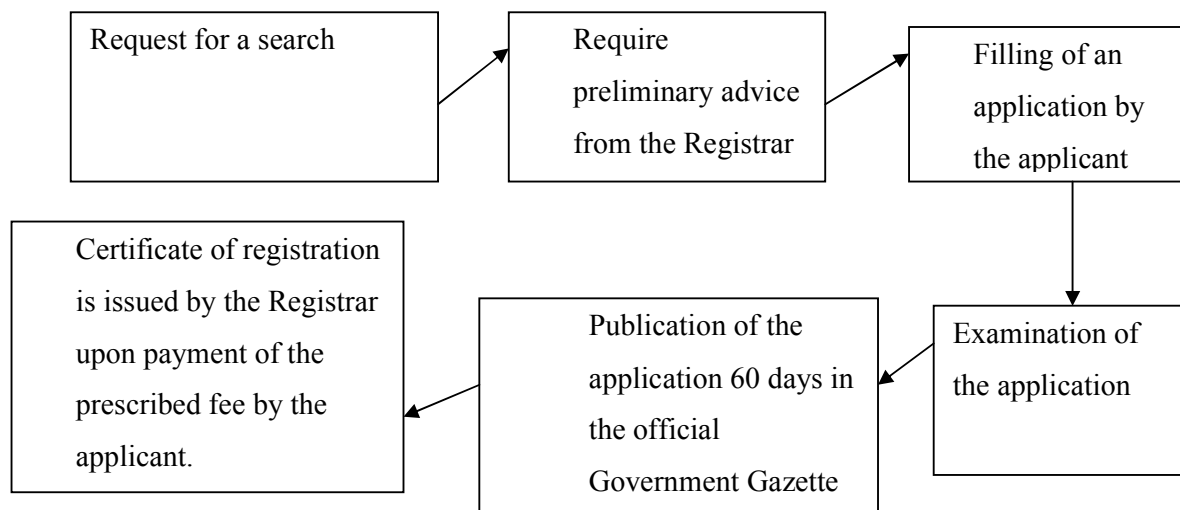
Once these formal requirements have been met by the intended applicant, an application in the prescribed form is then lodged with the Registrar of Trademarks for registration in either part A or B of the register. *Section 9 & 10 of the Trademarks Act* provides for details of the requirement of distinctiveness and capability of distinguishing respectively.

The kinds of trademarks not eligible for registration are the trademarks or parts thereof, the use of which would be:

- i. likely to deceive consumers for example the mark Panasonic and panasonik in respect of identical goods and services;
- ii. contrary to law for example counterfeit products;
- iii. contrary to morality for example a picture of people enjoying beer including a Muslim ;
and
- iv. any scandalous design.

These also form grounds upon which an application for registration of a trademark may be rejected by the Registrar.

Once the trademark is eligible for registration, the *Trademarks Rules SI 217 – 1* provides for procedural steps which must be complied with to enable domestic registration of a trademark as illustrated below:-



When the application has been opposed, a notice of opposition is filed and the grounds for opposition must be stated therein.

The party opposing registration has to file the notice of opposition with the Registrar of Trademarks within sixty days (60) from the date of publication and upon payment of the prescribed fees.

The applicant is sent a copy of the opposition documents in order to respond by way of a counter – statement within 30 days from the date of service by the opposing party. The counter- statement is then served upon the opposing party for any reply.

Finally, the matter is set for hearing and a decision is made by the Registrar.

Any party aggrieved by the decision of the Registrar has a right to appeal to the High Court. *Note.* The parties have to be represented by an advocate.

When the application for registration has been accepted or the objection has been decided in favour of the applicant, the Registrar shall register the trademark in either part A or B of the register and maintain the register both manually and electronically. A trademark relating to goods or services shall be registered in respect of particular goods or services.

The Nice Agreement provides for various classes of goods and services under which applicants for a trademark may choose from to register goods or services

Regional Registration requires two procedures;

The first procedure is by an applicant lodging separate applications in the Industrial Property Offices of all the states in which the applicant desires protection. Where an applicant intends to pursue this approach, he must appoint an agent to assist him carry out the process.

The second procedure is through filling a single application to ARIPO in which the applicant will designate the prospective countries where the applicant desires protection.

International Registration

This is effected through the World Intellectual Property Organisation (WIPO).

Upon registration, the owner of the trademark acquires the following rights;

- i. The owner enjoys exclusive rights to use the trademark in relation goods or services of which the trademark is registered subject to any limitations entered on the register. Protection of the trademark is for 7 years and when it expires, it is renewable every 10 years upon payment of a prescribed fee. (*Section 21 of the Trademarks Act 2010*).
- ii. To distinguish goods and services from one undertaking to those of another.
- iii. To institute legal action against those who infringe the exclusive rights.
- iv. Protection of business reputation and good will.
- v. Protection of consumers from deception against counterfeits and inferior goods.

In case the above rights have been infringed upon, remedies are provided in the law. These include both criminal and civil remedies (*Article 61 of the TRIPS Agreement*). However, a person may not institute an action for an unregistered trademark to prevent or recover damages. (*Section 34 of the Trademarks Act.*)

Non registration of a trademark does not affect any legal action against a person for passing off the goods and services of another. (*Section 35 of the Trademarks Act.*)

Infringement of a trademark occurs when a person not being the owner of the trademark or authorized by the owner of the trademark uses the mark identical to or resembling it, as to be likely to deceive or cause confusion in the course of trade in relation to any goods of the same description where the use would result in a likelihood of confusion and in such a manner as to render the use of the mark likely to be taken as importing a reference to some person having the right as owner or as registered user of trademark or to goods with which that person is connected in the course of trade.

The test of infringement is likelihood of confusion. Likelihood of confusion is the probability that a reasonable consumer in the relevant market will be confused or deceived, and will believe that the infringers' goods or services come from, or is authorised by the actual owner.

Sections 71-78 and 80 of the Trademarks Act provides for criminal offences and penalties. *Sections 79 and 81 of the Trademarks Act* provides for civil remedies. These include: Injunctions (interim, temporary and permanent), Anton pillar orders, damages, account for profits, delivery up and costs of the suit.

*An Injunction*² is an order or decree by which a party to an action is required to do, or refrain from doing, a particular thing.

*Seizure orders*³ (Anton pillar orders) is an interim search order which requires a person to admit another person to the premises for the purposes of preserving evidence which might be destroyed or concealed by the respondent.

*A damage*⁴ is compensation or indemnity for a loss suffered by a person following a tort, breach of contract or breach of some statutory duty.

Account for profits is what would accrue as a benefit to the owner had it not been due to the respondents' unlawful action.

*Delivery up*⁵ is an order by court to any person in possession of goods (which is the subject matter in issue before court) to deliver to the owner, or a person holding the goods on behalf of the owner, or to a named person.

Note: The above Civil remedies are available to the successful party and the forum is high court.

PATENTS

Patents are granted for inventions. An invention is a solution to a specific problem in the field of technology. It may relate to a product or a process. (*Section 7 of the Patents Act CAP 216 herein referred to as the Act.*)

For an invention to qualify for patentability, it must meet the following three conditions:

- i. Novelty (new). *Section 9 of the Act.*
- ii. Involve an inventive step (non obvious). *Section 10 of the Act.*
- iii. Industrially applicable (useful). *Section 11 of the Act.*

Note The difference between patents and utility models. The requirements of novelty and industrial applicability apply to utility models (petty patents).

² Thomson Reuters, (2009) *Osborn's Concise Law Dictionary*, Eleventh Edition Sweet and Maxwell pg 226.

³ *ibid* pg 371

⁴ *ibid* pg 132

⁵ *ibid* pg 139

In order for an invention to be eligible for patent protection, the applicant must ensure that the invention falls within the scope of patentable subject matter. (*Article 27:1 of the WTO Agreement on Trade – Related Aspects of Intellectual Property (TRIPS Agreement) and section 8 of the Act.*)

The general rule is that patent protection shall be available for inventions in all fields of technology however, there are exceptions. Examples of fields of technology which may be excluded from the scope of patentable subject matter are provided in *section 7(2) of the Act* which includes the following:

- Discoveries of material or substances already existing in nature;
- Scientific theories or mathematics methods;
- Plants and animals other than microorganisms and essentially biological processes for the production of plants and animals , other than non – biological and micro biological processes;
- Schemes, rules or methods, such as those for doing business, performing purely mental acts or playing games;
- Methods of treatment for humans or animals , or diagnostic methods practiced on humans or animals (but not products for use in such methods); and
- Mere presentation of information.

The TRIPS Agreement further specifies that members may exclude from patent protection certain kinds of inventions, for instance inventions the commercial exploitation of which would contravene public order or morality. (*Article 27:2 of the TRIPS Agreement*)

The procedure for obtaining a patent is indicated as below;

Step 1. Filling of the patent application with the Registrar

Step 2. Formal and substantive examination of the application is carried out by the patent office upon payment of prescribed fees. A formal examination is done by the Registrar of patents and then forwarded to African Regional Industrial Property Organisation (ARIPO) for substantive examination. (*Sections 19 & 20 of the Act & Regulations 27 & 28 of the Patent Regulations SI 216 – 1 respectively*)

Step 3. A certificate of grant and a copy of the granted patent are issued by the intellectual property office upon a finding that the application has a patentable subject matter, payment of the prescribed fees has been made and in addition no opposition to the application or that any opposition to the application has been unsuccessful.

Step 4. Publication of the patent granted in the Uganda gazette.

A patent may be granted by either a national, regional or international office depending on the mode of application by the applicant.

Note: the right of priority as provided in *section 16 of the Act*.

Upon registration, the patent owner acquires the following rights as provided in *section 25 of the Act*;

- i. Exclusive rights to exclude others from exploiting the patented invention unless authorised by the owner. Protection of patents is for 20 years.
- ii. To institute legal action for infringement. Infringement of an exclusive right involves the unauthorised exploitation of the patented invention by a third party. The patent owner has the onus to enforce the rights infringed upon in courts of law.

- iii. To make, import, offer for sale, sell and use the product.
- iv. To use the process and do any of the acts in (iii) above in respect to the product obtained directly by means of the process.
- v. To assign or transfer by succession the application for a patent or the patent.

To establish infringement, the patent owner must prove the following:

- The carrying out of a prohibited act, which is an act done by any person or a licensee in lieu of the acts specified in *section 25 (1) of the Act* exclusively for the patent owner subject to the provisions of *sections 27, 28 and 37* on the scope of protection, limitation and licence contracts respectively.
- The prohibited act must have been done after the publication of the patent application , or issuance of the patent where no early publication occurred;
- The prohibited act must have been done in the country where the patent has been granted;
- The prohibited act must be in relation to a product or process falling within the scope of a claim of the patent.

Once infringement is established, the remedies available to the successful party are an injunction, damages and any other civil remedy depending on the nature of the claim. (*Section 26 (2) of the Act.*)

Note: The scope of patent protection is determined by the terms of the claims, but where these are inadequate, drawings, and the description included in the patent may be used to interpret the claims.

Section 28 of the Act provides for exceptions to infringement of the exclusive rights to use of patented products. These are acts done:

- in pursuance of scientific research;
- in respect of articles which have been put on the market in Uganda by the owner of the patent or with his or her express consent;
- where the use of the patented product occurs in transit in the country;
- where the patented product is used by third parties who have the special right to continue to make the product; and
- Where the patented product is used under an authorisation granted by the government on grounds of public interest. (*Section 29 of the Act.*)

Copyright

Copyright is the exclusive right to do and to authorise others to do certain acts in relation to literary, dramatic and musical works, artistic works, sound recordings, films, broadcasts, cable programmes and published editions of works.⁶

Requirements for protection

The right of protection to the work is only applicable where the work is original and is reduced in material form.

The word original was defined in the case of *University of London Press Ltd v University Tutorial Press Ltd* (1916) 2 ch 601 to mean that it should not demand original or inventive thought, and that the work should not be copied but originate from the author.

Copyright work is further considered original when the author has exercised the right kind of labour, skill, or effort otherwise known as ‘intellectual creation’ in producing the work (*see the case of Ladbrooke v William Hill* (1964) ALLER 465 at 469.

The requirement of reducing the work in material form is essential in that ideas per se are not protected but the expression of the ideas (*Section 6 of the copyright & Neighbouring Rights Act and Article 9:2 of the TRIPS Agreement.*)

The duration of protection granted for copyright varies with the nature of work however, general protection is for the life time of the author and fifty years after the death of the author. (*Section 13 of the copyright & Neighbouring Rights Act.*)

Legislation provides for the protection not only of the creators of intellectual work but also the auxiliaries (performers, producers of phonograms and broadcasting organizations). The auxiliaries help in the dissemination of such works in respect of their own rights and these are rights related to or “neighbouring on” copyright.

The terms related and neighbouring rights are used interchangeably however, it means the same thing. In the international conventions the term related right is used and in Uganda’s legislation, the term neighbouring right is used.

The author of copyright in a protected work enjoys exclusive rights known as economic rights. These exclusive rights include rights to:

- copy the work (reproduction rights);
- issue copies of the work to the public (distribution right);
- rent or lend the work to the public (rental or lending right);
- perform, show or play the work in public (public performance right); and

⁶ *Halsbury’s Laws of England* (vol.9) 4th edition Para. 3 pg 10

- communicate the work to the public, make an adaptation of the work, or do any of the above acts in relation to adaptation (right of adaptation), and authorise others to carry out any of these activities (*Section 9 of the Act*).

Note The nature of rights granted varies according to the type of work in question. However, there are exceptions to these exclusive rights which must be in accordance with the three - step test provided in *Article 13 of the TRIPS Agreement*.

Creators of works further enjoy moral rights (rights held in perpetuity). Unlike the economic rights, moral rights are not assignable to any persons except for purposes of its enforcement. *See Section 10 (3) of the Act of Article 9:1 TRIPS Agreement* which provides that member states are not obliged to provide for rights conferred under Article 6^{bis} of the Berne Convention on moral rights.

The moral rights of the creator of work include the rights to:-

- claim ownership of that work except where the work is included incidentally or accidentally in reporting current events by means of media or other means;
- have the author's name or pseudonym mentioned or acknowledged each time the work is used or is used whenever any of the acts under section 9 on economic rights are done in relation to the work except where it is not practicable to do so; and
- object to or seek relief in connection with any distortion, mutilation, alteration or modification of the work, (*Section 10 (1) a, b, c, of the Act*).

Section 46 of the Act provides for infringement of copyright or neighbouring rights. Infringement is deemed to occur where without a valid transfer, licence, assignment or other authorisation under the Act, any person deals with the work or performance contrary to the permitted free use and in particular where that person does or causes or permits another person to do the acts listed below;

- reproduce, fix, duplicate, extract, imitate or import into Uganda otherwise than for his or her own private use;
- distribute in Uganda by way of sale, hire, rental or like manner; or
- exhibit to the public for commercial purposes by way of broadcast, public performance or otherwise.

Section 15 of the Act provides for fair use of works protected by copyright and subsection 2 thereof provides for factors which determine what constitutes fair use. These are:

- the purpose and character of the use, including whether the use is of a commercial nature or is for non – profit education purposes;
- the nature of the protected work;
- the amount and substantiality of the portion used in relation to the protected work as a whole; and
- the effect of the use upon the potential market for the protected work.

Once fair use is established by any person using a protected copyright work, then infringement is excused.

Important to note is that, in all the intellectual property rights discussed above, for any person to claim infringement upon the intellectual property, she/he must establish a cause of action.

A cause of action implies that you enjoyed a right, which has been violated, and the violation is by the person sued.

Once a cause of action has been established, the person alleging infringement upon his/her intellectual property has civil remedies available to him/her. Civil remedies are provided in *section 45 of the Act*.

Criminal offences and penalties in lieu of infringement are provided in *section 47 of the Act*. *Note:* The courts are using Alternative Dispute Resolution measures such as mediation to settle disputes. Other disputes are referred for arbitration.

Challenges of Enforcing Intellectual Property Rights

1. Ignorance of the law is no defence. This implies that every person is deemed to know his or her rights created by law yet a majority of people are very ignorant about intellectual property rights. This creates a gap on enforcement of intellectual property rights.
2. The area of intellectual property is technical and requires skill and expertise which an ordinary person does not have. This requires the services of a lawyer who has specialised in the area of intellectual property but these are few.

3. Consultation and legal fees may not be affordable to persons whose rights have been allegedly infringed upon and yet require legal advice. This denies such persons access to legal services.
4. The owners of intellectual property are required to take the initiative to recognise the value in their intellectual property and do all it takes to defend violation of their rights. This requires due diligence on the part of intellectual property owners.
5. Lack of knowledge in the area of intellectual property by most people and thus their failure to appreciate the rights of intellectual property owners.
6. Lack of funds to initiate the process of registration and protection. Protection is guaranteed upon registration especially where the law makes it compulsory. Registration of copyright is not mandatory however, registration is relevant because it provides information which is used to identify the owner and as evidence in courts of law. Registration is done upon payment of the prescribed fees.
7. Failure to use the rights acquired in the intellectual property may invalidate renewal.
8. Failure to pay renewal fees as prescribed by law may lead to striking out of the registered right from the register.

Recommendations

1. Create awareness by sensitizing the public.
2. Capacity building (training).
3. Ensure registration of the intellectual property.
4. Source for funding.

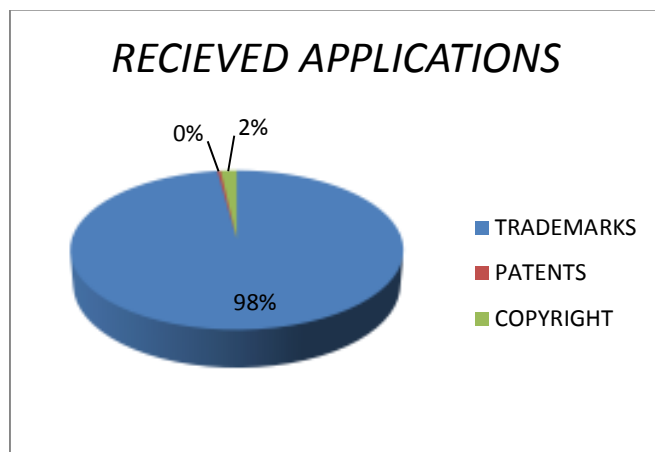
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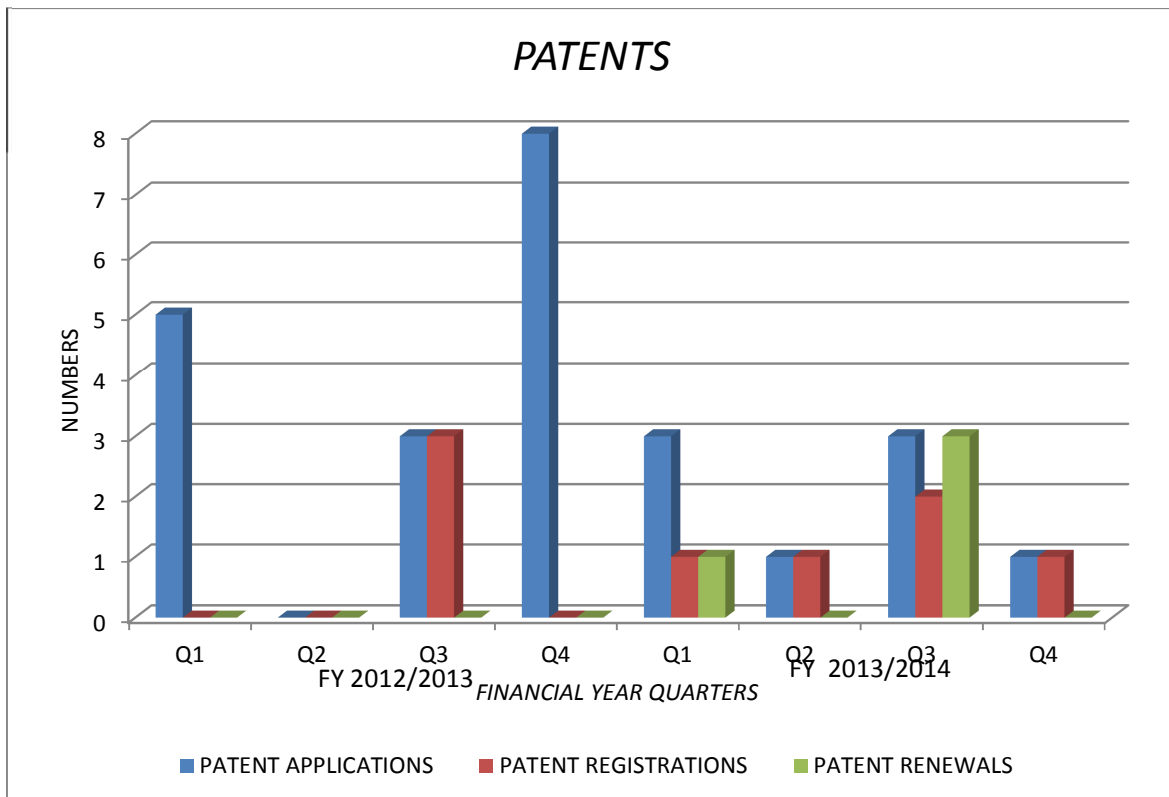
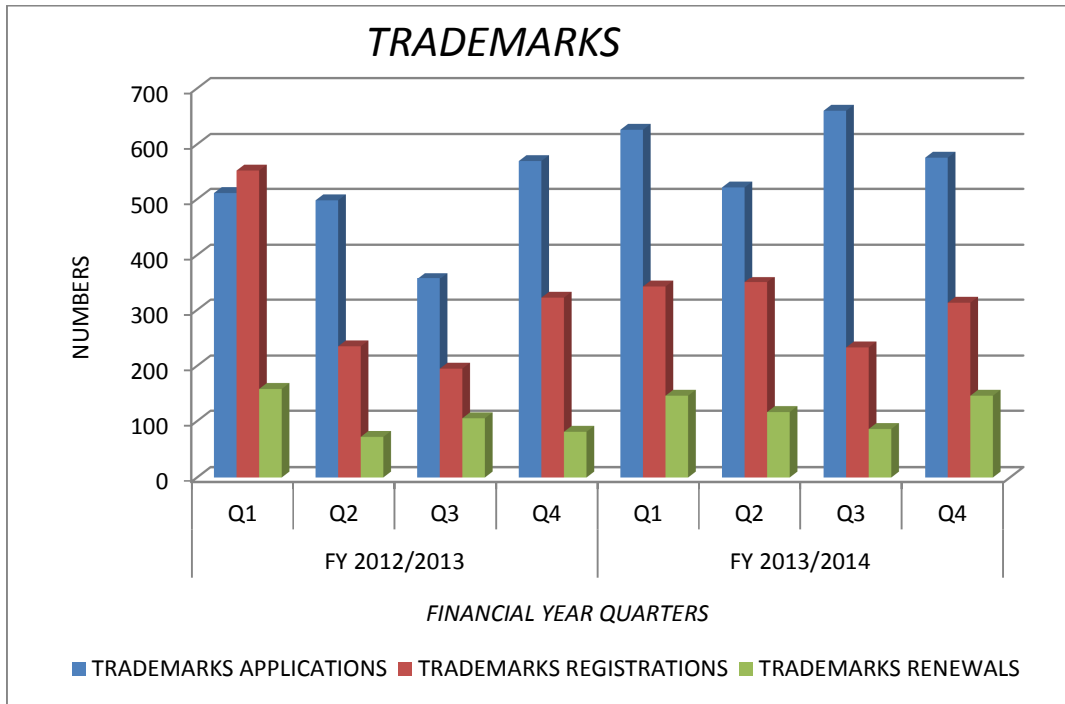
The statistics for the FY 2012/2013 and FY 2013/2014 for Trademarks, Patents and Copyright are indicated in the table below:

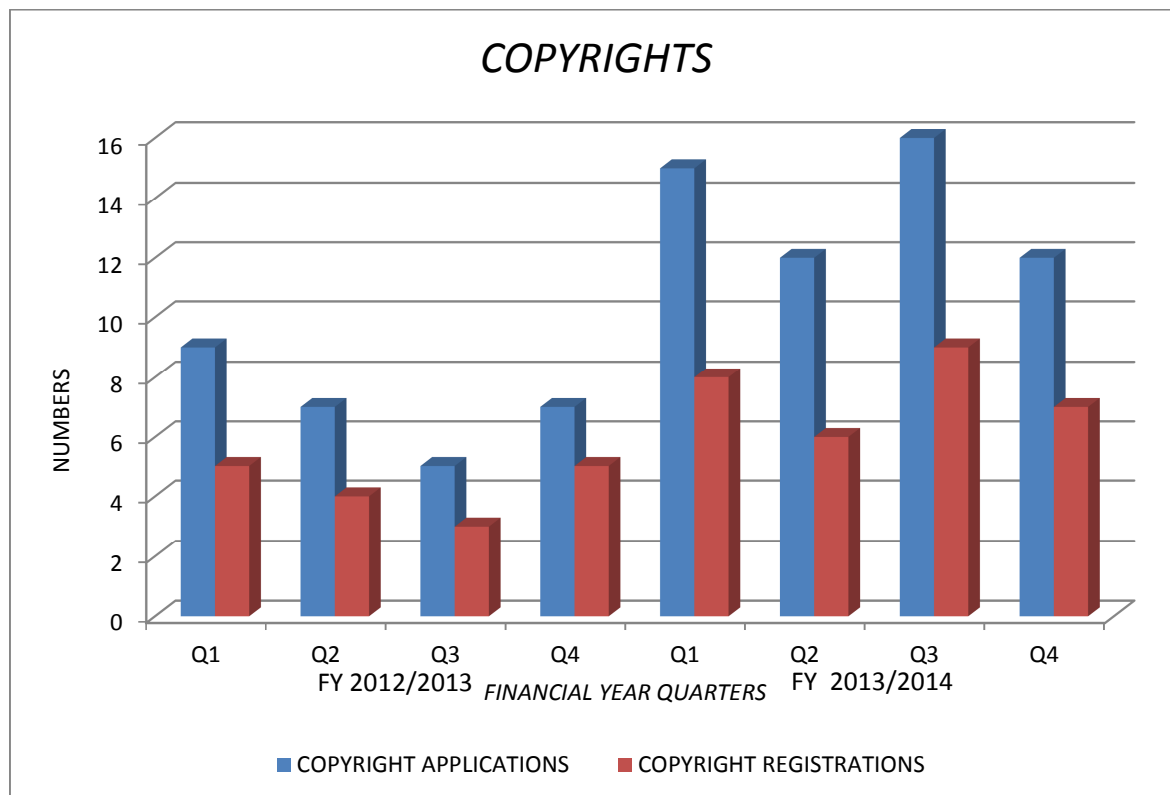
ITEM	CATEGORY	PERIOD							
		FY 2012/2013				FY 2013/2014			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRADEMARKS	APPLICATIONS	511	498	357	570	626	521	660	576
	REGISTRATIONS	553	235	195	322	342	350	233	313
	RENEWALS	157	72	105	81	145	116	86	145
PATENTS	APPLICATIONS	5	0	3	8	3	1	3	1
	REGISTRATIONS	0	0	3	0	1	1	2	1
	RENEWALS	0	0	0	0	1	0	3	0
COPYRIGHT	APPLICATIONS	9	7	5	7	15	12	16	12
	REGISTRATIONS	5	4	3	5	8	6	9	7

Source: URSB (DIP)

Trademarks constitute the bulk of intellectual property right applications. Over a period of these two financial years, the directorate received an average of 2200 trademark applications, 40 copyright applications and 8 patent applications per year contributing 98% and less than 1% for trademarks and patents respectively as indicated in the pie chart below.







The statistics reveal the following:-

- a. That applications are lodged with URSB in respective intellectual property rights but due to the formal requirements to enable registration, some applications do not conform and are not registered.
- b. Unlike patents and trademarks, copyright works do not require renewal. The rationale is that copyright is a non – registered intellectual property right and protection of the copyright owner is for life.

In conclusion, enforcement of intellectual property rights requires due diligence by intellectual property owners, availability of intellectual property resources and access to an effective justice system.



THANK YOU