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A CRITICAL EXAMINATION OF THE LEGAL REMEDIES FOR THE TORT OF PASSING OFF AND UNFAIR COMPETITION UNDER NIGERIA LAW

I. INTRODUCTION

The primary aim of engaging in trading activities is to make profit. Due to this established objective, traders are wont to engaging in competitions with the sole aim of outsmarting their rivals in the market. Frankly speaking, without competition, the world of commercial activities will be very dull resulting in monopoly with adverse effect on the ultimate consumers of goods and services.

The economic aspect of competition amongst traders cannot be underestimated, however, it is settled principle of law that such competitions must be done in a fair manner, as such, any competition calculated to mislead the public into thinking that the goods, products or services presented to them come from the rival trader is frowned at and amount to unfair competition, for which an aggrieved party is entitled to seek legal redress to protect his interest.

According to a learned writer, **Mr. Babafemi**

“Competition among traders is a powerful and beneficial social phenomenon; such a competition however, must not be pursued through obnoxious devices. Indeed, when so pursued, the competition transcends the boundaries of legality and becomes unfair. In other words, the wrong of “unfair competition” arises”¹

The principle enunciated above was aptly captured by **Lord Morris** (as he then was) in the case of *Parker Knoll v. Knoll International Ltd²*, when he postulated as follows:

“In the interest of fair trading and in the interest of all who may wish to buy or sell goods, the law recognizes that certain limitations upon freedom of actions are necessary and desirable. In some situations, the law has had to resolve what might at first be conflicts between competing rights. In solving the problems which have arisen, there has been no need to resort to any obtuse principle, but rather... to the straight forward principle that trading must not only be honest but must not even unintentionally be unfair”

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¹ Babafemi F. O. B: “Unfair Competition: A Comparative Study of the Development in the United State, Great Britain and Nigeria”. *The Nigeria Bar Journal*. Vol. XII, 1974, Page 25.

² [1962] R.P.C 265 at 278.

The focus of this paper is to critically examine the legal remedies available in Nigeria for unfair trading competition and the tort of passing off, the effectiveness of these remedies, and the resulting benefit to consumers. The paper will also chronicle the forms and ingredients of common law passing off and unfair competition. The paper will conclude by examining the adequacy or otherwise of the legal regime of passing off action under Nigeria law. This will be done with reference to other similar jurisdictions for the in-depth understanding of the subject matter.

2. THE CONCEPT OF UNFAIR COMPETITION IN TRADE.

Unfair competition is a commercial tort, the phrase "unfair Competition" is defined as

*"Dishonest or fraudulent rivalry in trade and commerce, especially the practice of endeavouring to pass off one's own goods or products in the market for those of another by means of imitating or counterfeiting the name, brand, size, shape, or other distinctive characteristics of the article or its packaging"*³

The word "unfair" is no more precise than any other legal terms whose purpose is to give discretion to a Judge, such as for example, "reasonable" or "adequate". For instance, in the case of *Mogul Steamship Co., v. McGregor Gow & Co.*,⁴ Lord Justice Fry said as follows:

"To draw a line between fair and unfair competition, between what is reasonable and unreasonable, passes the power of the court".

In order to find a guideline for unfair competition, Judges have referred to such things as "the rule of fair play", acts which are "contrary to good conscience", "means which shock judicial sensibilities", "decent thing to do in trade", "principle of honesty and fair dealing" etc leading in a way to the fact that only concrete examples will make the term "unfair competition" live.⁵

Thus in determining most vague terms, the best definition is the listing of what will amount to unfair competition and these amongst others will include false representation or advertisement of goods, passing off of goods by unauthorized substitution of one brand for the other, theft of trade secret, and betrayer of confidential information. The ultimate aim of unfair trade

³ Bryan A Garner. Black's Law Dictionary, Eight Edition, page 1563.

⁴ [1889] 23 R.P.C 609 at 625.

⁵ *International News Services v. Associated Press* (1918) 248 U.S.

competition is to create confusion in the mind of the public as to the nature, characteristics or the quality of the product involves by dishonesty means in order to earn undue profit.

3. DEVELOPMENT OF UNFAIR COMPETITION.

Under the common law, the doctrine of unfair competition was construed in a much more narrow way as being synonymous with passing off.⁶ However, today, the term "passing off" is more properly reserved for those cases where the defendant has made a 'representation' that his goods are those of the plaintiff. In *Stevens-Davis Co. v. Mather & Co.*,⁷ the Illinois court said as follows:

"....the courts in this state do not treat the passing off doctrine as merely the designation of a typical class of cases of unfair competition but they announce it as the rule of law itself. The passing off rule is expressed in a positive, concrete form which will not admit of "broadening" or "widening" by any proper judicial process"

However, courts of many states have drawn traditional equitable principle to expand the scope of unfair competition law. The New York Courts have stated this in no uncertain terms when it state thus:

*"With passage of these simple and halcyon days when the chief business malpractice was "passing off" and with the development of more complex business relationship and, unfortunately malpractices, many Courts, including the Courts of this states, extended the doctrine of unfair competition beyond the cases of "passing off"*⁸

In the like manner, a California Court noted the flexibility and capacity for the growth of the law of unfair competition when it stated thus:

*"With passage of time and accompanying epochal, changes in industrial and economic condition broadened appreciably. This was occasioned partly by the flexibility and breath of relief afforded by equity and partly changing methods of business and changing standards of commercial morality"*⁹

⁶ J. Thomas McCarthy "Trade Marks and Unfair Competition". 6. 6. *The Lawyer Co-operative Publishing Co. (N. Y.)*, Vol. 1, 1973, at Page 11.

⁷ [1932] 230 Ill App 45.

⁸ *Metropolitan Opera Association v. Wagner Nichols Recorder Corporation* (1950) 199 Misc 786.

⁹ *People ex rel Most v. National Research Co.*, (1962 3d Dost) 201 Cal. App 2d 765.

The foregoing goes to show that over the years, the scope of the law in the protection against unfair competition in many jurisdictions have become considerably widened by both legislative intervention and judicial activism¹⁰. Most Continental European Countries such as France and Germany now provide a generalized cause of action for unfair competition between traders as required by the International Convention on Industrial Property.¹¹

Article 10 (2) of the Paris Convention¹² provides as follows:

- (a). The Countries of the Union are bound to assure to persons entitled to the benefit of the Union effective protection against unfair competition.
- (b). Any act of competition contrary to honest practice in Industrial or Commercial matters constitutes an act of unfair competition.
- (c). The following in particular shall be prohibited.
 - (i) All acts of such a nature as to create confusion by any means whatever, with the establishment, the goods, or the Industrial or Commercial activities of the Competitor;
 - (ii) False allegations in the course of trade which are of such a nature as to discredit the establishment, the goods, or the Industrial or Commercial activities of a Competitor;
 - (iii) Indications or allegations the use of which in the Course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for the purpose or the quality the goods.

In other Countries including Nigeria, various forms of incorporeal hereditaments such as industrial property, registered trademarks, copyright, patent, industrial design etc have been given special statutory protection.¹³

The common feature of the statutory provisions on the infringement of Intellectual Property is to create an actionable right on the proprietor of the goods or services on proof of ownership. Despite the statutory intervention, the Common Law action of passing off is still available to the owners of unregistered trademarks.¹⁴

¹⁰ F. O. B Babafemi op. cit at page 42.

¹¹ The Paris Convention of 1883, which was revised in Brussels in December 14th, 1900, at Washington in June 2nd, 1914, at the Hague on November 6th, 1925 and at London in June 2nd, 1934.

¹² Ibid.

¹³ See for instance the Trade Marks Act, Cap.T13; Copyright Act, Cap. C28; and Patent and Designs Act, Cap. P2, Laws of the Federation of Nigeria, (hereinafter referred to LFN) 2004.

¹⁴ See Section 3 of the Tradé Marks Act, Cap T.13, LFN., 2004. See also Patkun Industry Ltd. v Niger Shoes Manufacturing Co. Ltd. (1988) 8 NWLR 138.

4. LEGAL FRAMEWORK FOR PASSING OFF IN NIGERIA.

The Trade Marks Act and Copyright Act¹⁵ make provision for the protection of merchandising operations. However, there are limitations to these forms of protection.¹⁶ As a result of these limitations, passing off action becomes an important supplement¹⁷ of these rights, which cannot be displaced by these Statutes, notwithstanding the expenses, which frequently is involved in these kinds of action because of the need to assemble evidence of goodwill and confusion.

According to a learned Author, **John Adams**,¹⁸ the tort of passing off could be helpful in the following situations:

- i. Where there are no relevant marks and no Copyright.
- ii. Where Marks do exist, but the defendant's activities are outside the specification of goods and services, for which the marks are registered.

The above is statutorily justified in Nigeria by section 3 of the Trade Marks Act¹⁹, which provides as follows:

"No person shall be entitled to institute any proceedings to protect or to recover damages for the infringement of an unregistered trade marks; but nothing in this Act shall be taken to affect right of action against any person for passing off goods as the goods of another person or the remedies in respect thereof"

The above provision of section 3 of the Trade Marks Act received judicial interpretation in the case of *Patkun Ind. Ltd. v. Niger Shoes Manufacturing Ltd.*²⁰ When the Supreme Court held as follows:

"the true intendment and purpose of section 3 of the Trade Marks Act, 1965²¹ are that:

- (a) *No person shall sue for infringement of an unregistered trade Marks;*

¹⁵ Cap. T 13 and Cap. C 28 LFN, 2004.

¹⁶ See section 3 of the Trade Marks Act, Cap T13, Laws of the Federation of Nigeria, 2004, which make unregistered trade marks infringement enforceable by passing off action.

¹⁷ Cornish W.R. *Intellectual Property*, Sweet & Maxwell, London, 1996, Page 533.

¹⁸ John Adams: *Merchandising Intellectual Property*, Butterworths, London, 1987 at Page 159.

¹⁹ Cap T13, Laws of Federation of Nigeria, 2004.

²⁰ (Supra).

²¹ Now Cap. T 13, LFN, 2004.

- (b) Any person can sue for passing off of an unregistered trade marks;
- (c) Any person can sue for infringement and passing off of a registered trade marks”

The term 'passing off' is descriptive of those cases where one manufacturer disguised its goods as that of another, whether by adopting the others products name, style of packaging or decorative packaging elements and so “passing off” the goods as those of its rival. This is known as the “classic forms” of passing off²².

In *Patkun Industry Ltd. v. Niger Shoes Manufacturing Ltd.*,²³ the Supreme Court defines the word 'pass off' as follows:

“The expression “pass off” is an ordinary expression. And when it is said that something is passed off as something it means no more than that something is falsely represented as something”

Passing off is closely linked to trademarks and in many cases, the plaintiff pleads both trademarks infringement and passing off, with the hope that if the former fails, he will falls back on the latter. This is however, where both arise from the same transactions. Passing off seeks to protect interest in the property dealing with reputation or goodwill of the plaintiff which reputation has been recognized by the public.

5. FORMS OF PASSING OFF.

The tort of passing off may be committed in various ways. For instance, it is an actionable passing off for the defendant to sell merchandise with a direct statement that the goods are manufactured by the plaintiff, when in fact they are not²⁴ Over the years, the courts have recognized and pronounced on the following instances as constituting passing off.

(a). Marketing a product as that of the plaintiff.

In the celebrated case of *Byron v. Johnston*,²⁵ the defendant advertised poems as written by the plaintiff, a famous Poet, who in fact had nothing to do with the Authorship; the court granted an injunction against the defendant.

Similarly, in *Leather Co., Ltd v. American Leather Cloth Co.*,²⁶ Lord

²² Brown and Grant, *The Law of Intellectual Property*, Butterworths, Wellington, 1989, Page 105

²³ (Supra).

²⁴ Kodilinye G. and Aluko O. *The Nigerian Law of Torts*. Spectrum Books Limited, Ibadan, Reprinted 2005, Page 221.

²⁵ [1816] 35 E.R 851.

²⁶ [1863] 11 H.L.Cas. 532 at 538. (1881) 50 L.J. Ch. 456.

Kingsdown opined as follows:

"The fundamental rule is that one has no right to pass off his goods for sale as the goods of a rival trader and he cannot therefore (in the language of Lord Longdale in the case of Perry v. True fit) allowed to use names, marks or letters by which he may induce purchasers to believe that the goods which he is selling are the manufacturer of another persons."

(b). Imitation of trade name.

It is actionable passing off to sell goods with the trade mark of the plaintiff or any deceptive imitation attached thereto. A trade marks under the common law is a design or picture habitually attached by a trader to goods manufactured or sold by him in order to indicate that they are his merchandise, and by established usage known to the public as possessing that significance.²⁷

In *Hendricks v. Montagu*,²⁸ in that case, Universal Life Assurance Society were granted injunction to restrain the defendant's company incorporated afterwards, from carrying on business under the name "Universe Life Assurance Association." The rationale behind the Court's decision as stated by **James L.J** is as follows:

"...is there such a similarity between those names as that in the ordinary course of human affairs likely to be confused with the other? Are persons who have heard of the 'Universal' likely to be misled into going to the Universe? I should think, speaking for myself, very likely indeed, many people do not care to bear in mind exactly the very letters of everything they have heard of"

Similar conclusion was reached in the Nigeria case of *Niger Chemists Ltd. v. Nigeria Chemists*.²⁹ In that case, the plaintiffs had carried on business as Chemists and Druggist for several years, and had several branches in Onitsha and other towns in the old Eastern Nigeria. The defendant later founded a firm carrying on exactly the same type of business. In granting an injunction to restrain the defendant from carrying on the business of the new firm,

²⁷ Heuston R.F.V. Salmond on the Law of Torts. Sweet & Maxwell, London, 1977, 17th Edition, Page 402.

²⁸ [1881] 17 Ch. D. 638.

²⁹ (1961) ALL NLR 171 at 173. See also the case of Ogunlende v. Babayemi (1971) 1 U.I.L.R 417.

Palmer J said as follows:

“....it seems to me as a matter of common sense that when two firms trade in the same town, in the same street and in the same line of business, one calling it self “Niger Chemist” and the other “Nigeria Chemists”. There must be a grave risk of confusion and deception”

In order to prove imitation of trade name, the plaintiff must establish that the defendant field of activity is similar or common to his own field of activity as to deceive the public that the products or goods being offered for sale by the defendant is from the plaintiff. This point forms the basis of court's decision in the case of *Multimalt Limited v. Premier Breweries Limited & Anor.*³⁰ In that case, the plaintiff is a limited liability company registered in Nigeria and carries on its business at Berth 1, Tin-Can Island Port, Apapa, Lagos, as bulk malt and grains handling Company. The plaintiff also imports and sells to breweries malts and brewing products. The plaintiff's business is mostly connected with breweries in Nigeria. The plaintiff knew the 1st defendant with whom it has been in contract since 1985. The 1st defendant is a brewing industry which produces alcoholic and non-alcoholic beverages. The plaintiff sued the defendants because of the use of its name “Multimalt” on product of non-alcoholic beverages produced and bottled by the 1st defendant. At the trial, the plaintiff contended that it has been known and particularly in the brewing industry as a supplier of malt in respect of which it has acquired a substantial reputation. The defendant in reply argued that passing off presupposes that the plaintiff manufactures or brews malt drink and that the 1st defendant is passing-off its own malt drink as that manufactures by the plaintiffs. The defendant further contended that if the plaintiff does not in fact brew malt drink, then there is no business that can be covered or exploited by the 1st defendant as passing off its own malt drink as that of the plaintiff. In deciding this issue, it was held that:

“---- the general principle that appears throughout the cases was that the plaintiff must prove the making of false representation by the 1st defendant. Since there is no express false representation then, the false representation to be proved is that to be implied in the use or imitation of the name, Multimalt, with which the plaintiff's goods are said to be

³⁰ [1997-2003] 4 I.P.L.R. 95 at 121-122.

associated or the use by the 1st defendant in connection with the goods of the Mark, name or get-up in question implied by representing such goods to be the goods of the plaintiff or whether the 1st defendant's use of Multimalt is calculated to deceive. In fact, it will be seen that the Plaintiff's goods and the 1st defendant's goods are not the same neither are they identical, in other words, there are no common activities between their respective goods. More importantly, the name, Multimalt, incorporated by the plaintiff was not used by the plaintiff in connection with its goods, raw malt grains, therefore, it cannot sue in passing off'

(c). Misrepresentation of Trade Name.

A trade name according to **Salmond** is one under which goods are sold or made by a certain person and which by established usage has become known to the public as indicating that those goods are the goods of that person³¹.

To succeed under this heading, the plaintiff must show that the name used actually connotes goods manufactured by him and not merely descriptive of those goods. For instance, in English Courts, "Linoleum"³² was found non-distinctive, but the registration of "Vaseline"³³ as a trade mark survived.

For this purpose, the law maintains a distinction between 'fanciful' and descriptive names. The latter being those names, which merely indicated the nature and or characteristics of the goods sold and not that they are the goods or merchandise of any person. If the trade name in contention falls within the latter category, the law will ordinarily not protect it not only when the defendant's use of it is truthful but also when it is false and substantially misrepresents the character of the defendant's goods,³⁴ unless the plaintiff can prove.

The burden of proof is a heavy one and the plaintiff must establish that the descriptive name in question has acquired a 'secondary meaning' so exclusively associated with the plaintiff's own product by long and continuous usage that its use by the defendant is calculated to deceive purchasers based on the fact that on seeing the product, they will assume that it comes from the same source as other products on the market or a similar appearance. In the case of *De facto Works Limited v. Odumotun Trading Company*.³⁵ The Defendants contended at the trial that the Plaintiff cannot

³¹ Heuston R.F.V. *Op cit* Pages 401-402.

³² *Linoleum Co. v. Nairn* (1878) 7 Ch. D. 834.

³³ *Cheseborough Trademark* (1901) 19 R.P.C.342 CA.

³⁴ *Suman Naresh. Passing Off, Goodwill and False Advertising: New Wine in Old Bottles* 45 C. L. J 1986, Page 100.

³⁵ [1917-1976] 1 L. P. L. R 80 at 96-97.

claim a monopoly to the exclusive use of colour 'yellow'. In order to drive this point home, the Defendant produced several bread wrappers bearing the colour yellow. The trial judge observed that the plaintiff's complaint, contrary to the position of the Defendant relates to the way the Defendant have employed the same colours yellow and brown in the get-up of their commodity to pass off their product and not that the plaintiff objected to the defendant's use of new wrapper. In founding for the Plaintiff on the ground that the defendant failed to establish by credible evidence that their own bread introduced later was not being sold as 'Bredi Oniyelo' the name which the plaintiff's bread had already gained acceptance by the buying public, **Honourable Justice Coker J** (as he then was) of the Lagos High Court held that:

"It is impossible to describe or enumerate all the ways in which a particular trader could pass-off his goods as those of a rival trader, but the general principle is that purchasers should not be induced to believe that the goods which they are buying are the manufacture of another person ----. It is of course necessary that, if the get-up or Mark sought to be protected consisted of words or character of everyday or common usage or is merely descriptive of the commodity, the Plaintiff should prove that such name or get-up has become singularly attached to his own manufacture goods and not to any others"

The term 'secondary meaning' is normally applied to words, which identify goods with a common source of origin.³⁶ In the case of *Reddway v. Benham*,³⁷ the House of Lords held the words 'Camel-hair belting', not only described the composition of the plaintiff's product but also identified it to the purchaser 'Camel-hair belting' meant belting made by Reddaway.

The above demonstrate that misrepresentation lies at the heart of an action for passing off. They also demonstrate that a successful claimant must prove that the misrepresentation was operative or material in the sense that the allegedly misleading indicia was at least a course of deception or its likelihood amongst the relevant class of consumer and hence damaging to the claimant's goods.³⁸

³⁶ Evans J.M. Passing Off and the Product of Simulation Vol. 3 Modern Law Review 1986, Page 642.

³⁷ [1896] A.C. 199.

³⁸ David Kitchin et al. Kerly's Law of Trade Marks and Trade Names, Sweet & Maxwell, London 14th Edition, 2005, Page 438.

(d). Imitating the Get-Up or Appearance of the Plaintiff's Goods.

The most important means by which passing off is being committed in this country, as elsewhere is the imitation of the get-up or appearance of the plaintiff's goods. The get-up of goods is the 'dress' in which they are presented to the public, the shape, the size, a colour of the articles or the package, which contain them but does not include anything useful about these things³⁹

In the passing off action based on imitation of the get-up or appearance of the plaintiff's goods, the mere facts that the defendant uses a different name is no excuse, as long as there is a risk of confusion. In the case of *The United Kingdom Tobacco Limited v. Carreras Limited*,⁴⁰ the parties are well known tobacco manufacturers and importers. The plaintiffs are the proprietor of a brand of cigarettes called "Bandmaster", which has been largely sold and become well known in Nigeria. The plaintiffs bring this action to restrain the defendants from importing and selling a brand of cigarette called "Barrister" on the ground that the get-up of the latter so resemble that of the former as to be likely to deceive purchasers. The action was a passing off action. The defendant during the trial pointed out a number of dissimilarities in their cigarettes and contended that even an illiterate native is perfectly capable of discriminating between a picture of a white man in military uniform and on a barrister's wig and gown. While rejecting this argument, the court opined as follows:

"It cannot be too emphatically pointed out that the test is not whether a customer can distinguish the two marks when placed side by side but whether when he has only his own recollection of the one he likes to go by, he may not accept the other in mistake for it"

Similarly in the case of *De Facto Works Limited v. Odumotun Trading Company*.⁴¹ The plaintiffs are bakers and have been selling their bread wrapped in yellow and brown colour wrapper with the name DEFACTO written in large scrolled letters in chocolate. The defendants are also bakers selling their bread in wrapper consisting of semi-transparent grease-proof paper with green letters without any coloured ground. The plaintiffs'

³⁹ J.B. William v. H. Bronnley (1909) 26 R.P.C. 765.

⁴⁰ [1917-1976] 1 I. P. L. R 42 at 46

⁴¹ (Supra) at page 100.

complaint is that the defendants had recently changed to wrappers bearing the same colour as their i.e yellow and brown with the word ODUS written in large scrolled letters in chocolate. The plaintiffs contended at the hearing that by reason of their get-up, the plaintiffs' bread was known and called especially by the illiterate and semi-illiterate purchasers of same bread Oniyelo (meaning bread in or with the yellow colouring) and that the sale of the defendants' bread in the brown and yellow wrappers has deceived the buying public. The defendants denied these assertions and contended that the colour yellow is not the special property of the plaintiff's as wrappers of that colour are being used by other bakers and that their wrappers did not bear the slightest resemblance to the wrappers of the plaintiffs. In granting an order of injunction restraining the defendants from using the contentious wrapper, the trial judge held as follows:

"I order an injunction against the defendants restraining the defendants (whether by themselves, their servants and agents or any of them or otherwise) from passing off or attempting to pass off by the wrapper, Exhibit C or otherwise bread not of the manufacture of the plaintiffs as and for the goods of the plaintiffs by selling or disposing of such bread in such wrappers."

It has been contended that an important limitation to this head of passing off is that an actions will not succeed where the appearance complained of is necessary for the better performance of the defendant's goods or for greater efficiency in handling or processing them.⁴² Thus the courts are always reluctant to accept as get-up anything, which has a utility value or purely functional. In *J.B William v. H Bronnley*,⁴³ **Fletcher Moulton L.J** said as follows:

"Every man has the right to use that which is most useful... It is only when the thing used is capricious that there can be any suggestion of passing off."

⁴² Kodilinye Gilbert. Nigerian Law of Torts, Spectrum Law Publishing, (Reprinted Copy), Ibadan, 1992, Page 218.

⁴³ (Supra) at Page 765.

The court in the above case did not prevent the defendant who manufactured shaving sticks from marketing a standard type of container already being used by the plaintiff since the appearance of the container was dictated primarily by functional considerations. It follows that no case can be made out merely by showing an imitation of the parts of the get-up of goods which are common to the trade.⁴⁴ Furthermore, trade custom may be used to defeat an action for passing off unless the plaintiff can prove that he has enjoyed monopoly in the market for a relatively longer period. This issue came for determination in the Nigeria case of *Trebor Nigeria Ltd v. Associated Industries Ltd.*⁴⁵ The plaintiffs in this case are the makers of Trebor Peppermint and other confectionaries. They instituted this suit against Associated Industries Limited, the maker of Mints Supermints. Plaintiffs claim that defendants have infringed their Trade mark, which was registered as No. 15816 on the 6th May, 1964. It is not disputed in the evidence that while plaintiffs have been manufacturing Trebor Peppermints for many years and have been manufacturing them locally since 1963, defendants did not manufacture and market Mints Supermints or any other Peppermint until about November, 1971. When they did, plaintiffs claim that they used a wrapper for their rolls of mints sufficiently similar to the Trebor wrapper to constitute an infringement of the Trade Mark. In the alternative, and this is really the substance of this case, plaintiffs claim that defendants are guilty of passing-off their products as that of the plaintiffs. At the trial, defendants contended that despite similarity of colour, the two wrappers are quite distinctive and that the colours white and green are common to the trade and that the colour green is widely associated with mint product. In holding the defendant liable for the tort of passing-off on the ground of monopoly which the plaintiff had enjoyed in the Mark for a considerable number of years, the learned trial judge observed thus:

"Trade custom may be used as a defence only when certain things are common to two or more manufacturers. Clearly it cannot arise out of a monopoly and for practical purposes and for the purposes of this action plaintiffs have enjoyed a virtual monopoly for this product in Nigeria, the only relevant market."

⁴⁴ David Kitchin et al Op cit Page 514.

⁴⁵ [(1917-1976) 1 I. P. L. R 299 at 315. See also the case of Payton v. Snelling, (1975) 2 WLR 386.

It should be noted that it is not necessary in passing off action that every part of the get-up should be imitated. It is enough if any part of it, which are shown to be so identified with the claimant's goods that its use for similar goods is calculated to pass them off as his. For instance, a picture, label or wrapper of the goods may become a 'common law trade marks' if used in such a way as to lead to confusion. The same is applicable to passing off by get-up of shop and or an omnibus object.⁴⁶ Thus, in the case of *Taylor Bros v. Taylor Group*,⁴⁷ the court found it a breach of an earlier injunction, which prohibited the defendant from trading under or by reference to the name 'Taylor' for the get-up of the shop to be used in such a way as to suggest continuity, even though the trading name had been changed to 'Layton'. The sign at the premises and on the vans and the stationery used.... corresponds exactly with the get-up previously used by the defendant.

6. INGREDIENTS OF THE TORT OF PASSING OFF.

When determining whether or not a plaintiff has established a case in passing off action, certain ingredients must be present, although there are difficulties in describing the present scope of the cause of action⁴⁸. To resolve this seemingly intractable phenomenon, some tests have been propounded by notable and erudite Judges. The following two cases will however suffice in this instance: In the case of *Erven Warnink v. Townend (the Advocaat)*,⁴⁹ Lord Diplock formulated five minimum elements to establish an action in passing off as follows:

- (a). A misrepresentation;
- (b). Made by a trader in the course of trade;
- (c). To prospective customer of his or ultimate consumers of goods or services supplied by him;
- (d). Which is calculated to injure the business or goodwill of another (in the sense that it is a reasonable foreseeable consequence); and
- (e). Which causes actual damage to a business or goodwill of a trader by whom the action is brought (or in a *quia timet* action), will probably do so.

Lord Frazer in the same case also advanced five characteristics formulations as follows:

"It is essential for the plaintiff in a passing off action to show at least the

⁴⁶ David Kitchin et al Op cit Page 516.

⁴⁷ [1991] 19 I.P.R 615.

⁴⁸ Cornish W.R. Op cit. page 535.

⁴⁹ [1979] 1 All E. R. 927 at 932.

following facts:

- (a). That his business consists of, or includes selling in England a class of goods to which the particular trade name applies;
- (b). That the class of goods is clearly defined, and that in the minds of the public, or a section of the public; in England, the trade name distinguishes that class from other similar goods;
- (c). That because of the reputation of the goods, there is goodwill attached to the name;
- (d). That he, the plaintiff as a member of the class of those who sell the goods is the owner of goodwill in England which is of substantial value;
- (e). That he has suffered or is *really likely* to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill is attached⁵⁰.

It is evidently clear that the two formulations are different, yet they should be regarded as complementary.⁵¹ Reviewing the above formulations propounded in *Advocaat* about ten years later, **Lord Oliver** in the case of *Reckitt & Colman Products Ltd. v. Borden (otherwise called the Jif Lemon's case)*,⁵² elaborated three elements which a claimant must show in order to make out a case of passing off thus:

“First, he must establish a goodwill or reputation attached to the goods or service which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consist simply of a brand name or a trade description, or the individual features of labeling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognized by the public as distinctive specifically of the plaintiff's goods or services;

Secondly, he must demonstrate a misrepresentation, by the defendant to the public (whether or not intentional) leading or likely to lead the public to belief that the goods or services offered by him are the goods or services of the plaintiff;

The practical applicability of the second reason propounded by **Lord Oliver** is well captured in the concept of 'likelihood of deception'. For the tort of passing off to succeed, the defendant's conduct must show element of

⁵⁰ (Supra) at page 943

⁵¹ David Kitchin et al *Op cit*, Page 433.

⁵² [1990] R.P.C 341 at 350.

deception. It does not matter that he had acted *bonafide* and that he had no intention to deceive. Liability under this head is strict. However, to ground an action in passing off, the claimant must prove that it is the deception that moves the public to buy the defendant's goods. In that case **Lord Oliver** said as follows:

"...is it, on a balance of probabilities, likely that a substantial number of [the relevant class] will be misled into purchasing the defendant's [product] in the belief that it is the respondent's [product]"

Mere confusion is not enough; no one is entitled to be protected against confusion as such. At the heart of passing off lies deception or its likelihood⁵³ however, the question of likelihood of deception is for the court and not the witness to decide, thus, to succeed, the claimant must place before the court cogent and convincing materials to persuade the court to find in his favour. In spite of this, the judge is entitled to give effect to his opinion as to the likelihood of deception and, in doing so, he is not confined to the trial⁵⁴ The issue is whether a substantial or large number of relevant trade or public have been misled or are likely to be misled. In other words, the deception must be more than momentary and inconsequential.⁵⁵

In the Nigeria case of *U.K Tobacco Co., Ltd v. Carreras Ltd.*⁵⁶ **Butler Lloyd J** took into account the experience, perspective and standards of literacy of the prospective purchasers of the goods in arriving at a decision. In that case, his lordship said as follows:

"It is a well established principle, not only in this country, that the likelihood of deception varies with the intelligence and education of the consumer and that a trade marks or get-up which might not confuse a literate or educated person could quite easily confuse an illiterate or uneducated one, in the instant case, it was significant that the plaintiff's 'Band Master Cigarettes' were popular amongst all classes in Nigeria, and were known among the illiterate class simply as "Oloyinbo". There was therefore a strong likelihood that illiterate or uneducated persons might confuse, the defendant's "Barrister" Cigarettes, which also carried a picture of a white man, albeit in a different garb with the plaintiff's products"

⁵³ David Kitchin et al. Op cit page 517

⁵⁴ Ibid, at Page 518.

⁵⁵ Cadbury-Schwepps Property Ltd v The Pub. Squash Co., (1981) 1 WLR 193 at 205.

⁵⁶ (Supra) at pages 43-44.

Even where the potential buying public are not illiterate or uneducated, the standard of awareness to be expected of a purchaser is not that of an observant person making a careful examination, but that of a casual and unwary customer.⁵⁷ As **Lord Macnaghten** once put it in the case of *Montgomery v Thompson*,⁵⁸ “thirsty folk man wants beer, not explanation”.

The essence of the action for passing off is therefore a deceit practiced on the public and it can be no answer, in a case where it is demonstrable that the public has been or will be deceived, that they would not have been if they had been more careful, more literate or more perspicacious.⁵⁹ Customers have to be taken as they are found.

In *Powell v. Birmingham Vinegar Brewery Co.*⁶⁰ **Lindley L.J** was of the view that you must take customers as you find them including the imprudent and the unwary.

As a corollary to the above, it is not necessary to prove that deception had actually occurred, it is sufficient for the claimant to show that deception is imminent and if he can prove this, he may be granted a quia timet injunction to restrain the defendant.

The third reason laid down by **Lord Oliver** in the case of *Reckitt & Colman Products Ltd. v. Borden (otherwise called the Jif Lemon's case)*⁶², is that he must demonstrate that he suffers or in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.

The two positions enumerated above clearly depict two forms of cause of action in passing off cases, the “classic form”, defined by the “classical trinity”, and the “extended form”, typified by the *Champagne, Sherry and Advocaat Cases*.⁶³ However, these two forms are not different torts, it is simply more convenient for the purpose of analysis of a particular case to define passing off by reference to one or other of those forms.⁶⁴

⁵⁷ *Kodilinye Gilbert. Op cit*, page 221; *Gottschocks & Co., Ltd. v. Spruce Manufacturing Co., Ltd.* (1956) 1 FSC 42.

⁵⁸ [1891] A.C. 217 at 225.

⁵⁹ *David Kitchin et al. Op cit*, Page 519.

⁶⁰ [1896] 2 Ch. D 54 at 68.

⁶¹ See the case of *Niger Chemists v. Nigerian Chemists (Supra)* at Page 74.

⁶² (*Supra*) at page 151

⁶³ *David Kitchin et al, Op cit* at Page 431.

⁶⁴ *Ibid*.

Taking clue from the above legal exposition, the present approach to passing off action may be summarized as follows:

- (a). For passing off in its Classical forms, the Classical trinity, as expounded in *Jif* and other Cases, should normally be applicable and be applied.⁶⁵
- (b). For passing off in its extended form, one can apply either the Classical trinity or the Advocaat tests. Judicial preference seems to vary. In *Parma Ham*,⁶⁶ the Court of Appeal in England welcomed the reversion in *Jif* to the Classical trinity. Subsequently, the Court of Appeal has been content to utilize the Advocaat tests in *Elder Flower Champagne*⁶⁷ and *Chocosuisse*⁶⁸.
- ©. There is nothing inherently wrong in applying the Advocaat test to cases of passing off in its Classical form, but doing so might raise the suspicion that the case falls into Lord Diplock's "Undistributed Middle". The modern trend is to use the Classical trinity.⁶⁹

In the case of *Parma Ham*⁷⁰ Nourse L.J is of the following view:

"Although those speeches (of Lord Diplock and Lord Fraser) are of the highest authority, it has been my experience and it is now my respectful opinion, that they do not give the same degree of assistance in analysis and decision as the Classical trinity of (1) a reputation (or goodwill) acquired by the plaintiff in his goods, name, mark etc; (2) a misrepresentation by the defendant leading to confusion (or deception), causing, (3) damage to the plaintiff".

In Nigeria, there is dearth of cases on the passing off action. As a matter of fact, the promulgation of the Trade Marks Act⁷¹ has limited passing off action to only unregistered trade marks or name. In the case of *Ayman Ent. Ltd. v. Atuma Ind. Ltd.*⁷² the Supreme Court held as follows:

⁶⁵ *Reckitt & Colman Product Ltd. v. Borden (Supra)*.

⁶⁶ [1991] R.P.C 351 at 369.

⁶⁷ [1993] F.S.R 641.

⁶⁸ [1999] R.P.C 826.

⁶⁹ *David Kitchin et al Op cit* at Page 434.

⁷⁰ (*Supra*).

⁷¹ Cap T 13, LFN. 2004.

⁷² (2003) 12 NWLR (Pt. 836) 22 at 45. paras F-H. or [2003-2007] 5 I. P. L. R 1.

“By virtue of the provision of section 3 of the Trade Marks Act, 1965, Cap 436, Laws of the Federation of Nigeria, 1990,⁷³ no person shall be entitled to institute any proceeding to prevent or to recover damages for the infringement of an unregistered trade marks, but nothing in the Act, shall be taken to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof. The section is divided into two distinct parts. The first part prohibits the institution of any action for the infringement of an unregistered trade mark, while the second part preserves the right of action against any person for passing off goods as the good of another”

In essence, section 3 of the Trade Marks Act, preserves the right of a proprietor of an unregistered trade marks to bring action in passing off for the infringement of goods or services. However, in order to establish the tort of passing off under the Nigeria law, the ingredients constituting the torts are laid down in the case of *Boots Company Ltd. v. United Niger Imports (Chemicals and Industry) Ltd.*⁷⁴ In that case, the plaintiffs are an English Company having their registered office in Nottingham, England. They are engaged in the business of manufacture and sale of Pharmaceutical throughout the world and inter alia in Nigeria where it does business through their sole Nigerian agents, the Boots Co. (Nig) Ltd., a public Company quoted on Lagos Stock Exchange. Among the plaintiff's products distributed through their Nigerian agents are codeine compressed tablets known as “Boots Compound Tablets BP” which have become very well known as “Beecoden”. The plaintiffs alleged that the defendants are marketing their codeine with the letter 'B' which is distinctive of the plaintiff's product. They contended that by the use of the aid letter, there is the likelihood of confusion between the plaintiffs' codeine tablet and the defendants' codeine tablets. The plaintiffs asserted that the defendants' goods were fake and inferior to their products but were passed off as though they were the plaintiffs'. The defendants denied the allegation and state that they are representatives of overseas manufacturers and have been importing analgesic tablets with the Roman “B” embossed on them since 1954. They further contended that numerous goods not of the plaintiffs'

⁷³ Now Cap. T. 13, LFN, 2004.

⁷⁴ [1977-1989] 2 I. P. L. R 56 at 65-66.

manufacture such as Bufferin have "B" on them. While dismissing the plaintiffs' claim, **Honourable Justice Nnaemaka-Agu J** (as he then was) laid down the tests for determining what conduct will constitute passing-off as follows:

"Now in a passing-off action, what must the plaintiff prove? In my view, he must prove: First, that the name, mark, sign or get-up which he claims as his, has become distinctive of his goods and no other in the sense that by its use in relation to goods, it is regarded by a substantial number of members of the public or persons engaged in a particular trade in the relevant market as indicating that they come from a particular source ----. Secondly, that the defendants who are engaged in a common field of activity as the plaintiffs have used a name, mark, sign or get-up so resembling the plaintiffs' as is likely or calculated to deceive or cause confusion in the minds of their common customers and thirdly, that the use of name, signs, or marks is likely to cause or has caused injury, actual or probable, to the goodwill of the plaintiffs' business"

7. JURISDICTION OF COURT.

As a corollary to passing off action is the issue of court's jurisdiction, that is, the proper forum to seek legal redress in the event of unlawful interference with the unregistered trade marks on which the plaintiff has acquired sufficient goodwill from members of the public.

It is pertinent to note that passing off is closely linked to trade marks and in many of the cases, the plaintiff pleads trade marks infringement and passing off. The purpose is to provide a fall-back position in case the trade mark action fails.

In view of the close relationship between the trade marks and passing off, there have been conflicting courts decisions in Nigeria on the appropriate court which possesses the jurisdiction to entertain action for passing off.

In the case of *Patkum Industry Ltd. v. Niger shoes Manufacturing Company Ltd.*⁷⁵ the plaintiff is the registered proprietor of Trade mark described as NISHMACO and registered as No. 17229 in Nigeria in respect of shoe

⁷⁵ [1977-1989] 2 I. P. L. R 373 at 406-407 or (1988) 5 NWLR (Pt. 93) 138 at page 147.

slippers (footwears) and all goods included in the Class. The plaintiff alleged that the defendant sold, distributed, and imported goods in particular SLIPPERS, not of the plaintiffs' manufacture as for goods of the plaintiff's manufacture and said the act constitute an infringement of the Trade Mark, namely NISHMACO and passing off same thereof. The defendant denied all the allegations and contended that the action is not properly constituted, incompetent and urged that it be dismissed for lack of jurisdiction. Based on the pleadings, the defendant filed an application to challenge the Federal High Court's jurisdiction to entertain the matter. The application was decided in favour of the plaintiff and the court dismissed the application. On appeal to the (Federal) now the Court of Appeal, the appeal was also dismissed. Being dissatisfied, the defendant further appealed to the Supreme Court. Uwais JSC (as he then was) commenting on this issue stated as follows:

“Thirdly, if the same facts, as in the present case, give rise to both the infringement of a registered Trade Marks and passing off: should two different suits be instituted in two different Courts? That is, infringement of trade marks in the Federal High Court and passing off in the State High Court? I think this dichotomy will not only lead to unnecessary multiplicity of cases and expenses, but may lead to the plaintiff losing one of the two causes of action in the process. For where the Federal High Court hears and determines the case pertaining to the infringement of registered trade marks first before the plaintiff sues for passing off in a State High Court, a demurrer or plea in the State High Court that the action thereat is res judicata or the plaintiff is estopped from suing by reason of the earlier decision of the Federal High court in the infringement case is likely to succeed., since the facts of transaction giving rise to both the infringement of the registered Trade Mark and the passing-off are the same Moreover, it is against the public policy that there should be multiplicity of actions arising from the same facts or transaction re-publicae ut sit finis litium”

Similarly, in the case of *IML, Air chartering Nig. Ltd v. IMNL international Messengers (Nig) Ltd.*⁷⁶ The plaintiff's claim is for damages for “passing-off”

⁷⁶ [1977-1989] 2 I. P. L. R 80 at

by the defendants of their services and functions as Airline Handling Agents, Air Cargo Flight Operators and Agents, and Air Courier Services throughout the Federation of Nigeria. Pleadings were duly filed and exchanged; the defendant subsequently brought this motion on notice to challenge the jurisdiction of the old Federal Revenue Court (now Federal High Court)⁷⁷ to entertain this suit. In granting the application **Honourable Justice Karibi-Whyte J.** (as he then was) said as follows:

“It has not been disputed that an action for damages in “passing-off”, is an action founded on the common law of Tort or Torts. It is therefore necessary to enable plaintiff to bring subject matter of the action in this case within the jurisdiction of this court to show that it is an action arising from:

- (i). The operation of the Companies Decree, or any other enactment regulating the operation of Companies Incorporated under the Companies Decree 1968*
- (ii). Any enactment relating to Copyright, Patents, Designs, Trade Marks and Merchandise Marks In the instant case, “It is obvious from the Writ of Summons, and Statement of Claim that the claim is one in respect of “passing-off” of services and functions which in my opinion, is not the category of “passing-off” contemplated either in the Companies Decree 1968, section 19 or in the enactments stated in section 7 (1) (c) (ii) of the Federal Revenue Court Decree”.*

The above cases were decided before the promulgation and coming into operation of the Federal Republic of Nigeria Constitution, 1999. Hence, under section 251 (1) (f) of the 1999 Constitution, the Federal High Court has now been exclusively conferred with the jurisdiction to entertain and determine a claim relating to a registered Trade Mark and passing-off arising therefrom. For the avoidance of doubt, section 251 (1) (f) of the Federal Republic of Nigeria Constitution, 1999, provides as follows:

“Notwithstanding anything to the contrary contained in this Constitution and in addition to such other jurisdictions as may be conferred upon it by an Act of the National Assembly, the Federal High Court shall have and exercise jurisdiction to the exclusion of

⁷⁷. Bracket is mine.

any other court in civil causes and matters:- (f) Any federal enactment relating to copyright, patent, designs, trade marks, and passing off, industrial designs and merchandise marks, business names, commercial and industrial monopolies combines and trusts, standard of goods and commodities and industrial standards.”

The operative words in section 251 are the phrase “to the exclusion of any other courts” it follows therefore that the only court having exclusive jurisdiction to entertain action for passing off in Nigeria at present is the Federal High Court. Support for this view could be found in the provision of section 272 of the 1999, which is made subject to section 251 of the Constitution. Premised on the foregoing constitutional provisions, the Supreme Court of Nigeria in the case of *Ayman Enterprises Limited v. Akuma Industires Limited & Others*⁷⁸ where the Appellant who was the plaintiff instituted this action against the Respondents as defendants in the Federal High Court. Lagos Division. The plaintiff alleged that the defendants by using the name ORIGINAL QUEENS on their products have infringed its Trade Marks NEW QUEENS applied for and accepted under TP 24575/95 in Class 6; as same is calculated to lead to the belief that the wigs and hair attachment not of the plaintiff's manufacture, are products of the plaintiff. The plaintiff applied for and obtained an Anton Pillar Order vides an *ex-parte* application and sane had been executed, the Respondents filed an application to have the order set aside or discharged by the court. The application was dismissed by the trial court, the Respondent being dissatisfied appealed to the Court of Appeal which court allowed the appeal and set aside the *ex-parte* order. The plaintiff appealed to the Supreme Court, while the Respondent cross-appealed. The sole issue formulated for the court determination is whether the Federal High Court has jurisdiction to entertain a claim for damage for passing-off of an unregistered trade mark. Uwais CJN (as he then was) said as follows:

“It seems to me that the jurisdiction of the Federal High Court to deal with action on passing off depends on the registration of Trade mark as provided by section 3 of the Trade Mark Act, Cap 436 and

⁷⁸ [2003-2007] 5 I. P. L. R. 1 at 25.

section 230 subsection (1) (f) of the 1979 Constitution (now section 251 (1) (f) of the 1999 Constitution – See *Patkum Industries Ltd v. Niger Shoe Manufacturing Co. Ltd* (1988) 5 NWLR (Pt 93) 138. Where the Trade Mark is unregistered, as in the present case, then the cause of action for passing-off is in common law for tort and action can now be brought in a State High Court in view of the provision of section 272 subsection (1) of the 1999 Constitution”

See also the case of *Sol Pharmaceuticals Ltd v. Susan Pharmaceuticals Ltd.*⁷⁹ where it was held that:

“The Federal High Court has exclusive jurisdiction under the Constitution to entertain and determine a claim relating to a registered Trade mark and passing off arising from same”

8. REMEDIES AVAILABLE FOR PASSING OFF

A fundamental maxim of law is *ubi jus ibi remedium*, which literally means, “where there is a wrong, there is a remedy”. In other words, an owner of unregistered goods or services is not without legal remedy upon the infringement of his marks by defendant. The legal remedies available for passing off under the common law are still subsisting and will avail proprietor of an unregistered trade marks. The remedies recognized by the common law in this regard are as follows:

- (a). The grant of an injunction, which could either be interlocutory or perpetual to restrain the defendant from continuing the act which constitutes passing off. Interlocutory injunction are granted to avoid furtherance of damage to the plaintiff pending the determination of the action, An injunction order is commonly used at an interlocutory stage such as for instance, the disclosure of the defendant's customer list or the name of his supplier or one can even seek a discovery order against someone who is not himself an infringer but who has got mixed up in the tortuous acts of other.⁸⁰ However, the grant of an injunction is at the discretion of the court and as such, the plaintiff must put sufficient materials before the court to persuade the court to decide in his favour.⁸¹ The plaintiff must also establish that he has enjoyed sufficient goodwill in the goods ranging over some period.⁸² of time. In *Boots Company Limited v. United Niger Imports Limited*. It was held

⁷⁹ [2003-2007] 5 I. P. L. R. 413 at 441.

⁸⁰ Afe Babalola. Injunctions and Enforcement of Orders, Intec Printers Limited, Ibadan, 2nd Edition 2007, at Page 131.

⁸¹ *Dyktrade Ltd v. Omnia Nig. Ltd.* (2000) 80 LRCN 2856 at 2867-2868.

⁸²

that:

“To be entitled to award of damages and injunction, the plaintiff must establish that the defendant interfered with his property in the goodwill attached to his mark upon which he has exclusive right, by passing off his goods as that of the plaintiffs”

- (b). Recovery of the profit made by the defendant as a result of the passing off. Equity never trespassed so directly upon the prerogative of the common law courts as to award damages for common law wrongs. However, as a corollary to the injunction, it might order a defendant to account to the plaintiff the profits made from his wrong doing.⁸⁴

The principle upon which the court will grant an account of profit has been succinctly stated by **Lloyd Jacob J** in the case of *Electrolux Ltd. v. Electrix Ltd*⁸⁵ as follows:

“Where one party owed a duty to another, the person to whom that duty is owed is entitled to recover from the other party every benefit which that other party has received by virtue of his fiduciary position if in fact he has obtained it without the knowledge or consent of the party to whom he owed the duty”

The rationale for ordering an account of profit was laid down by **Blade J** in the case of *My Kindatown Ltd v. Soll*⁸⁶ as follows:

“To prevent an unjust enrichment of the defendant by compelling him to surrender those profit or those parts of the profits actually made by him which were improperly made and nothing beyond this”

The purpose of account for profit is not to punish the defendant but to ensure that all profits which he made by the use of the infringing matter or the act of passing off should be passed to the plaintiffs.

- (c). Delivery up of articles in the possession of the defendant with which he is passing off the goods or services of the plaintiff. In order to ensure that injunction are properly effective, court of equity and its successors maintain a discretion to order delivery up of infringing

⁸³ (Supra) at 75

⁸⁴ See *Lever Brother Portsunlight Ltd. v. Sunny White Products Ltd.* (1918) 35 R. P. C 101.

⁸⁵ (1949) 66 R. P. C 84 at 95

⁸⁶ (1982) F. S. R. 147 at 156

articles, goods or materials. However, such an order may only be granted in respect of infringing goods, materials or articles which a person has in his possession, custody or control in the course of business.⁸⁷

(d). Damages either special or nominal- Damages are a common law remedy and the proprietor will be entitled to recover his damages on proving the infringement. The question of damages recoverable will be a matter for the court to determine based upon the available evidence.⁸⁸ Thus, in pursuing the inquiry, the onus is on the plaintiff to show that he has suffered loss, which was caused by the defendant's doing.⁸⁹

(e). Anton Pillar order- the court has inherent power to make an order for the detention and preservation of the goods or services passed off by the defendant.⁹⁰ Anton Pillar order is a form of court order which permits the plaintiff to enter the defendant's premises in order to inspect, remove or make copies of documents for use in a short time, possibly as part of evidence in his action or proposed action against the defendant.⁹¹

The essence of Anton Pillar Order is to prevent the defendant from destroying the property in his possession before an application on notice is made hence the ex-parte nature of application and the hearing in camera.⁹²

9. CONCLUSION.

The law concerning unfair competition and passing off is another excellent illustration of the function of law in the society as a form of social engineering. The law as recognized in the beginning that competition between traders is perfectly lawful, however, ruinous it may be to those who ever are the loser.⁹³ Thus many ordinary acts of competition were not conceived as tortious even though they were designed to injure another man's goodwill. This is clearly a manifestation of the common law maxim *Qui sive suo utitur neminem laedit*.⁹⁴ But in order to regulate the conduct of

⁸⁷ Gyngell and Poulter A User's Guide to Trade Marks, Page 139

⁸⁸ Gillette U.K. v. Eden West Ltd (1994) R. P. C. 229 at 235.

⁸⁹ Gyngell and Poulter op cit at page 139.

⁹⁰ K. G. v. Manufacturing Processes Ltd. (1976) ALL E.R. 779.

⁹¹ Afe Babalola op cit at page 10.

⁹² See British American Tobacco & Another v. Int'l Tobacco & 2 Others [2003-2007] 5 I. P. L. R. 248 at 294-295.

⁹³ A trader is entitled to sail close to the wind, so long as he steers clear of actual misrepresentation

⁹⁴ He who exercises his legal rights inflicts upon no one any injury.

trade and to prohibit the diminution or depreciation of goodwill and the value of the trader's reputation in the market, the law against unfair trade practices widened its scope with a view to ensuring no reaping without sowing.⁹⁵ Thus, unfair competition practices enforce increasingly high standards of fairness or commercial morality in trade. In this instance, what is morally reprehensible is also legally permissible.

On a close observation of the issue of passing off in Nigeria, one will discover paucity of indigenous cases on this aspect of law. This may be due to the low level of our socio-economic development and general apathy to the question of enforcement of legal rights among the citizenry. However, in view of recent developments in Nigeria economic activities coupled with the increased awareness of citizens in the pursuit of their legal rights as opposed to what operated in the past, there is hope for positive expansion of business law in general and the legal regulation of economic torts in particular.

Due to the foregoing, any discussion on the law of unfair competition and passing off cannot take place without reference to more advanced jurisdictions in order to appreciate the need for the provision of private remedies outside the usual traditional action for passing off, for instance, the tort of passing off has been extended in England, with the addition of allegation of dilution to the heads of damages relevant to the tort.⁹⁶

In Nigeria, however, we are yet to exhaust and put to public awareness through litigation all those extended frontiers. Similarly, in the Western European legal system, the term "unfair competition" now embraces all civil remedies against all sorts of unscrupulous business practices. For instance, in countries like Norway, Greece, West Germany, Switzerland and Spain, the civil remedies against unfair competition have been developed on the basis of general statutory prohibition.⁹⁷

In China, an Anti-Unfair Competition Law has been passed in December,

⁹⁵ International News Services v. Association Press (1918) 248 U.S 215.

⁹⁶ Kazel Carty. Dilution and Passing off: Cause for Concern, 112 Law Quarterly Review, 1996 at Page 633.

⁹⁷ Hakeem Ogunniran. Unfair Competition and Passing off in Nigeria. *The Gravitas Review of Business and Property Law*. Nov-Dec, 1989, Vol.2.No. 11 Page 68.

1993, and in France and all other countries which adopted the Civil Code (e.g. Holland), on the basis of the Clause granting competition for “unlawful” and “immoral acts”.⁹⁸

The liberal approach to the question of unfair competition in the above jurisdiction is worthy of emulation and this may be achieved by the enactment of an Unfair Competition Act, which would be a law against any act of competition contrary to honest practices in industrial and commercial matters in consonance with the International Convention in Industrial Property to replace the vague and cumbersome common law action for passing off.

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⁹⁸ Lam Yan. Protection of Commercial Secret in Chinese. *Journal of the World Intellectual Property*, V Vol. 1, No. 1 January, 1998 at Page 234.