



Uganda's Trademarks Act 2010: New Opportunities, Old Challenges

*By Paul Mbuga
Sebalu & Lule Advocates, Uganda*

The eagerly-awaited Trademarks Act (No. 17 of 2010) was passed into law and has its effective date as 3rd September 2010. It has been a long time coming, it must be said, since the Trademarks Bill received its First Reading in Parliament on 2nd September 2008 and was thereafter referred to the Committee of Legal and Parliamentary Affairs for consideration.

The need for a new and improved piece of trademarks legislation has been as urgent as it has been nagging. The previous law, the Trademarks Act, Cap 217, was based on the United Kingdom's Trademarks Act of 1953. This Act had been overtaken by academic and practical developments in the trademarks law body over time, particularly rapid technological developments and the overriding existence of international obligations. The off-shoot of all this, as the Committee of Legal and Parliamentary Affairs recognized, is that the Act as it was impeded investment as a result of the inadequate protection afforded to investors in the event of the infringement of their trademarks.

International obligations

Of particular relevance here is the World Trade Organisation (WTO)-administered Trade Related Aspects of Intellectual Property Rights (TRIPs) Agreement of 1994. The TRIPs Agreement mandated that all member countries establish minimum standards for copyright, patent, trademark, trade secrets, and geographical indications and have public and private remedies for violations. The Agreement Establishing The WTO provides that all member states shall ensure their laws and regulations are brought to conform to their obligations under the Agreement. Whether developing nations actually stand to benefit from the marriage between trade agreements and intellectual property rights is, of course, a debate for another day.

However, and taking into account the notorious governance problems these nations encounter, the TRIPs Agreement granted Least Developed Countries (LDCs) like Uganda the right to delay implementation into national law. In now incorporating a number of the TRIPs precepts, the new Trademarks Act closely follows the Copyright and Neighbouring Rights Act of 2006 and the Trade Secrets Protection Act of 2009. The copyright reform process in Uganda took particular cognizance of the TRIPs Agreement and the 1971 Berne Convention as it significantly expanded the scope of copyright protection.

The Trademarks Act 2010 examined

The new Act makes a number of progressive additions. The following and other elements must be taken note of:

- *Service marks:* The most significant development is that service marks can now be registered as trademarks (section 8). The old Act only provided for registration of signs and marks in respect of goods and this ultimately proved to be an inexcusable omission for even providers of intangible services require as much protection as manufactures



of corporeal items. This development has been gleefully welcomed and a number of entities eager to protect the sanctity of their services and corresponding marks have flooded the Registry of Trademarks with applications. The South African specialist intellectual property firm Spoor & Fisher has confirmed that it forwarded applications in its name and that of a number of its clients in late September 2010.

- Concurrent use: The general rule is that trademarks will not be registered in respect of goods and services that are identical with or nearly resemble a mark that belongs to another person or entity. The new Act departs from this in one instance that has been widely accepted in more advanced trademark law jurisdictions: concurrent use. Here, the Registrar or court may permit the registration of trademarks similar to each other by more than one owner in respect of similar goods and services where there is honest concurrent use (section 27). What amounts to “honest concurrent use” will surely be a subject of intense academic and judicial debate; especially where it leads to inadvertent confusion (or a likelihood of).
- Mandatory search requirement: An intending applicant for registration of a trademark shall first carry out a search to ascertain whether the trademark exists in the register (section 5). While inconvenient, the motive here is clear and will probably assist to reduce the number of opposition to trademarks registration proceedings. However, there is no explicit provision in the Act regarding the effect of the search results. That said, the search results should not in themselves act as an absolute bar for the applicant to proceed particularly where the requirement for distinctiveness, either inherent or through use, is met.
- Preliminary advice as to distinctiveness: This is another addition designed to reduce opposition to trademark registration proceedings. A person who intends to apply for the registration of a trademark may obtain advice from the Registrar as to whether the proposed trademark appears to be inherently distinctive or capable of (section 6). A ruling by the Registrar at this stage can prove to be immensely time and cost-saving.
- Removal of trademark on proof of prior registration in country of origin: The Registrar is given power to refuse the registration of a trademark if it can be shown it has been registered in another country with reciprocal arrangements with Uganda. A registered trademark can also be removed if an application in the afore-mentioned terms within seven years of the registration of the trademark (sections 44 and 45). With this provision, the Trademarks Act gives force to a key principle of the Paris Convention For The Protection Of Industrial Property. The first category of the Paris Convention contains rules of substantive law which guarantee a basic right known as the right to national treatment in member nations. National treatment means that each country party to the Paris Convention must grant the same protection to nationals of member nations as it does to its own nationals.
- Protection of bona-fide use of a name: The new Act provides that the registration of a trademark shall not affect the bona-fide use by a person of his/her own name or the name of his/her place of business or predecessors in business (section 24). While bona-fide usage of one’s name is recognized and protected by the Common Law, this statutory acknowledgement is critical.



- New offences: Offences introduced include falsifying or unlawfully removing a registered trademark, falsely applying a registered trademark, prohibition of import and export of registered trademarks, selling goods with false marks, offences by companies *et al.* Intention (*animus*) has been made a key ingredient of these offences (sections 71-80).
- Appointment of inspectors: The Act provides for the appointment of trademark inspectors, so to speak, in much the same vein as the inspectors provided for under the Copyright and Neighbouring Rights Act. These inspectors are to be appointed by the board of the Uganda Registration Services Bureau and will possess powers of entry, inspection, seizure and detention (section 82). How this will be implemented, if at all, will make for fascinating viewing; principally because copyright inspectors possess no documented record of achievement since the coming into force of the Copyright and Neighbouring Rights Act in 2006.

Familiar, if marginally more expansive, provisions remain on assignments and transmissions (which, mind, must be registered to confer title), the effect of registration in either Part A or B of the register, use and non-use of a trademark and revocation thereof, defensive trademarks, permitted/registered users and the general effect of registration and action for infringement. Note must also be taken of the Registrar's power under the Act (section 65) to make an order for security for costs where a person who does not reside or carry on business in East Africa lodges a notice of objection or applies for the removal of a trademark on account of prior registration in a country of origin.

The question of enforcement

The enforcement of the Act remains a totally different matter altogether and this is not helped by the fact that in Uganda, much like Africa, violation of intellectual property rights is perceived as a victim-less crime.

This view is held on account of the poverty a significant proportion of the continent's population lives under. Mauritian legal practitioner and prosecutor Kaushik Goburdhun authored a 2005 paper titled [Enforcement Of Intellectual Property Rights: A Blessing Or A Curse? Perspective From Mauritius](#) in which he examined the conflict between recognition intellectual property rights in Mauritius and the difficult socio-economic environment under which these rights are expected to thrive.

Regarding enforcement, the unified role of the Government and its organs is critical, as is that of the Courts in enforcing remedies for trademark infringement speedily and punitively. But an attitudinal shift is also key.

Sebalu & Lule Advocates is a member of Juris East Africa and Preferred Law firm of DLA Piper in Uganda