

REGISTRATION AND PROTECTION OF DOMAIN NAMES AND BUSINESS ENTITIES NAMES AS TRADEMARKS IN NIGERIA¹.

ABSTRACT

In this 21st century, the world is evolving at a very fast pace, domain names and business entities names are the most valuable assets for almost every sphere ranging from marketing, sales, and customer services. The business entity name is very essential to any company or business, it identifies your business, and thus protecting it should go beyond registering the name with Corporate Affairs Commission (CAC) (hereinafter referred to as CAC). Although registering a business entity name with CAC, is an integral part for Start-up Company or business, to prohibit the registration of the same name by another business or company, trademark is essential, as it guarantees the absolute protection any entrepreneur would desire for his business. Domain names have become an integral part of every business carrying out any online commercial activity; it is an indispensable tool used by business owners to reach out to their existing and incoming clients globally. Today domain names are not just the names of the websites of different entities, but also act as business identifiers that play a significant role in the promotion of business entities. This article seeks to discuss how trademarks can be used to protect business entities' names and domain names.

Keywords: Domain names, Business entities names, Trademark.

INTRODUCTION

The Nigeria business arena is a place of shrewd competition, new brands are set up now and then, a new start-up in form of businesses and companies are established every day offering one service or another. Thus, business entity name and domain name are two important valuables to a modern-day entrepreneur.

A business entity name can also be casually referred to as a trade name or brand name. Trademarking a business entity name is an important part of establishing a brand presence and

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recognition in the marketplace for a business or company, and this is as a result of the sad reality whereby fraudsters use an already known, established, and reputable company or business name to transact business with vulnerable customers who think they are in the right hands. Every day entrepreneurs are losing their brand name despite the fact that they have been conducting business with that name for years. This is because anyone who registers a trademark with that same trade name as yours has the legal right to stop you from trading or rendering services with that brand name as you will be deemed to be infringing on his name.

The level at which commercial activities are shifting online is quite amazing. Most entrepreneurs worldwide comfortably transact their businesses online and Nigerians are not left out in this paradigm shift in the world economy.

However, it is quite sad that domain piracy has forced original domain owners to purchase their own website site, which they spent donkey years to build for business transactions from cybersquatters saddens. It is now a new practice whereby domain pirates intentionally check out existing businesses and after confirming that the domain name has not been registered, purposely register the name and then wait for the owners to wake up to the reality of no longer being the legal owner of their domain name and the domain pirates will profit off them. There are a lot of cases of this kind both nationally and globally, however unknown to our companies' owners and domain names owners, the solution to this tragedy of paying through their nose for what rightly belongs to them is trademarking their domain name and trade name.

Having a domain name or business entity name registered as a trademark alleviates the danger of unauthorized use of brand name and domain pirates profiting from domain owners. Trademark statutorily entitles its proprietor (the owner) the exclusive right of usage² and a right of action against any infringer. Putting it differently, where a person has registered a trademark under the law, any other person who purports to use the same trademark without the consent of the owner will be liable for an infringement³ at the instance of the holder or proprietor of the registered trademark. This position was aptly upheld by the Supreme Court.⁴

²section 5(1) Trademark Act, Cap T13, Laws of the Federation of Nigeria, 2004.

³ Section 5(2) Ibid

⁴ *Ferodo Ltd V. Ibeto Industries. Ltd* (2004) 5 NWLR (Pt. 866) 317, *Alliance International Limited V Saam Kolo International Enterprises Limited* (2010) LPELR-CA/L/147/2003

This article seeks to discuss succinctly what domain names and business names are, their regulatory authorities, the law in force, how trademark can be used to protect domain names and business entities' names amongst others.

This article finds out that Company and Allied Matters Act (CAMA)⁵ does not expressly prohibit and punish the use of similar name, it only prohibits the registration of a similar name by another person, in other words, an infringer can use the name of another registered company to trade or render services (thereby misleading the customers to believe that they are transacting with the original owner) but cannot register same as his company or business name with CAC.⁶

This article further finds out that although the Cybercrime Act⁷ provides criminal remedy for a victim of cyber-squatting, there is no provision for civil remedies in the form of damages against a cyber-squatter for related offences or act. This article concludes that it is advisable, especially for start-up companies to ensure that their suppose name (be its domain name or business entity name) has not been trademarked by another individual or company before proceeding to use and register same with the corporate Affairs Commission (CAC).

CONCEPTUAL CLARIFICATION OF TERMS

WHAT IS DOMAIN NAME?

Simply put, domain name is an internet address that helps internet users to access a particular website. In other words, a domain name is a user-friendly name that is easily identifiable, remembered, and help to distinguish one website/web address from another website/web address.

In the case of *Bombay High Court in People Interactive (India) Pvt. Ltd. Vs. Vivek Pahwa & ors*⁸, the court gave a proper definition of the term “domain name” that a “domain name is the territorial address of a business on the internet where, it directs a user to a particular part of the web where the particular domain name of the registrant stores and display all the necessary information, offers and service available on the internet.

⁵ Section 30 (1) and section 41 (1)(e) of CAMA, 2020

⁶ I. E. Okonkwo, Registered Company name vs. Registered Trademark: A critical Appraisal, available at <https://www.academia.edu> accessed on 19th February, 2022.

⁷ Cybercrimes (Prohibition, Prevention, Etc.) Act, 2015.

⁸ (2016(68) PTC 225 (Bom).

A domain name is in the form of *.com*, *.org*, *.net*, or other web addresses existing for people and companies to find your business online. For example, Apple.com is one of the many domain names owned by Apple. While selecting a name for your business, you must also see whether its corresponding domain name is available or not. Someone can also buy the same domain name with a different top-level domain name in many cases. For instance, if you own the domain name, ‘company-name.com’, others may own ‘company-name.org’ or ‘company-name.net’. There are numerous suffixes available including: .org: Nonprofits, .gov: Government agencies, .edu: Educational institutions, .biz: Businesses, .travel: Travel industry, .mil: U.S. Military, .net: Network-related entities. The domain names have a centralized registration process. A domain name is only the name of your website and owning the same won’t give you any Trademark Rights.⁹

BUSINESS ENTITY: A business entity is the exact structure of a business, which determines liabilities and how taxes will be paid. The term doesn’t describe what the business does but how it is set up. It is also the choice of business identity that a businessman chooses to give to his business; it’s the kind of legal life that a business owner (s) choose to infuse his business with at the inception; or the kind of perception which the business owner wish to portray to the public about their business.¹⁰

In the light of CAMA 2020, the forms of business entities available to persons intending to set up a business in Nigeria are as followings:

- a. Incorporated companies
- b. Limited liability partnership
- c. Limited partnership
- d. Business name.

The process of registering names is governed by the substantive provisions of the Companies and Allied Matters Act, 2020 and the regulations made by the Corporate Affairs Commission with the

⁹ Differences in Domain Names, Trademark and Business Entity, available at <https://www.hg.org/legal-articles>, last accessed 15th February, 2022.

¹⁰ O. Oyesanya, *Issues to Consider in Choice of Business Entity for Doing Business in Nigeria*, available at <http://www.patrelipartners.com>>.accessed 15th February, 2022.

extant regulation being the CAC Regulations 2012. The commission is saddled with the responsibility of registering and administering names.

NAMES THAT MUST BE REGISTERED

Under CAMA, it is not every business name that must be registered; the law makes allowance for the non-registration of names. Be that as it may, the law makes the registration of certain names mandatory, lest the defaulter is liable to a penalty¹¹.

Section 814 of CAMA, provide that a name must be registered;

- a. In the case of a firm,¹² the name does not consist of the true surnames of all partners without any addition other than the true forenames¹³ of the individual partners or the initials of such forenames;
- b. In the case of an individual, the name doesn't consist of his true surname without any addition other than his true forenames or the initials thereof; or
- c. In the case of a company, whether or not registered under the Act, the names do not consist of its corporate name without addition.

By the provisions of the above section, it is clear that names that must be registered, are only names that are not the firm's individual's surnames and forenames (initials) are to be registered. For example, if my real name is Akpan Edoho, I will not need to register my business with CAC, if I simply operate my business under that name. However, the moment I add the word "consult" to it, such a name has to be registered because the word "consult" is not my real name and does not serve as my initials. As for corporations, they only have to register their business name if the name does not consist of their corporate names without additions.

Also, there are circumstances where even where there is an addition to the business name, with such addition not being the forenames or the initials of the proprietors of the business, there may be no need for registration.¹⁴ For example, where a law firm name is Akpans and Udo, suggesting that there are two partners with the surname Akpans, the firm need not be registered.

¹¹ Section 812 of the Act

¹² This means partnership

¹³ First name

¹⁴ Section 814(2) of CAMA, 2020

Section 852 of the Act, make provision for some restricted names that cannot be registered except with the consent of the registrar General first sought and obtained

TRADEMARK

A Trademark is your registered brand and is used to distinguish your business from other products and services. A trademark can be a letter, number, word, phrase, logo, image, sound, movement, shape, name, initials, scent, design, product function or a combination of these.¹⁵

According to section 67 (1) of the Act¹⁶ ‘Trademark’ means, “except in relation to a certification trade mark, a mark used or proposed to be used in relation to goods for the purpose of indicating, or to indicate, a connection in the course of trade between the goods and some person having the right either as proprietor or as a registered user to use the mark, whether with or without any indication of the identity of that person”, and means, in relation to a certification trademark, a mark registered or deemed to have been registered under section 43 of this Act.

A registered trademark is also known as ‘certification trademark’.¹⁷

REGULATION OF DOMAIN NAME

It is worthy of note that although the cybersquatting and other computer-based offences has been criminalized in Nigeria by the cybercrime Act¹⁸ there is no provision for the establishment of a separate regulatory body with the aim and objective of implementing its provisions. Despite this lapse in the Act, some Nigerian regulatory agencies are involved in the regulation of the domain name system in Nigeria. These regulatory agencies are National Information Technology Development Agency (NITDA)¹⁹ established by the NITDA Act, to create a framework for the planning, research, development, standardization, application, coordination, monitoring,

¹⁵ G. Uloko, (2010) *Modern Approach to Intellectual Property Laws in Nigeria* (Princeton Publishing Co,)11.

¹⁶ Supra

¹⁷ Section 43 Trade Marks Act.

¹⁸ Cybercrimes (Prohibition, prevention, Etc) Act 2015

¹⁹ NITDA is the clearing house for all IT projects and infrastructure development in the country. It is the principal agency for e-government implementation, internet governance and general IT development in Nigeria.

evaluation, and regulation of Information Technology practices,²⁰ activities and systems in Nigeria.

Another regulatory agency is Nigeria Internet Registration Association (NIRA). This agency is charged with the management of Nigeria's country code Top Level Domain Name (ccTLD), doting. It is a Not-for-profit, Non-Governmental Self-Regulating body, established on 23rd March 2005 as a stakeholder-led organization. Nigeria Internet Registration Association (NIRA) also serves as the registry for .ng Internet Domain Names and maintains the database of names registered in the .ng country code Top-level Domain.

Although Nigeria Internet Registration Association (NIRA) lacks express statutory protection, a domain name applicant could conduct an availability search by using the search feature on the domain name registrar's site²¹. Upon registration of such domain name, there is protection against the use of identical and similar as IP addresses by another person, both through NIRA and the Nigerian court.²²

Internationally, Domain name is regulated by Internet Corporation for Assigned Names and Numbers (ICANN). ICANN is the private, non-government, nonprofit corporation. ICANN is responsible (among other things) for overseeing the assignment and registration of domain names. ICANN authorizes the use of all top level domain names such as .com, .org .net, as well as country code based domains (like .co.uk, .co.nz).²³ ICANN also ensure domain name recovery in place for instances of trademark registration lapses by trademark owners. ICANN adopted Uniform Domain Name Dispute Resolution Policy (UDRP). The WIPO Arbitration and Mediation Center's domain name dispute for gTLDs give effect to the (UDRP Policy), adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999, and the Rules for Uniform Domain Name Dispute Resolution Policy (UDRP Rules), approved by ICANN on September 28, 2013. In addition to the ICANN Policy and Rules, the WIPO Center has developed its Supplemental Rules

²⁰ Section 6 of the National Information Technology Development Agency (NITDA) Act, 2007

²¹ That is NIRA.org.ng.

²² Joseph Onele and Emmanuela Onyilofor, 'Domain Names and Cyber-squatting: Implications for Trademarks in Nigeria' (2018) The Gravitas Review of Business & property Law Vol. 9 No. 4.

²³<https://www.ballisticdomains.com>, accessed 17th February, 2022

for the uniform Domain Name Dispute Resolution Policy that entered into effect on July 31, 2015.²⁴

These proceedings provide an efficient remedy against the bad faith, abusive registration of domain names that violate trademark rights. This administrative procedure is without prejudice to recourse to competent courts. A trademark holder who believes that a domain name registration²⁵ infringes its trademark may initiate a proceeding under the UDRP. Upon institution of proceedings under the UDRP, the following elements must be established by the complainants, to wit: (a) that the domain name is identical or confusingly similar to a trademark which the complainant has rights; (b) that the registrant has no rights or legitimate interests in respect of the domain name; and (c) that the registrant registered and is using the domain name in bad faith.²⁶ Where a UDRP rule in favour of a complainant, ICANN will cancel the domain name or have it transferred to the complainant

Unlike litigation that is time consuming and expensive, UDRP provide a fast, affordable and easy way of adjudicating domain name dispute between trademark holders and bad faith registrant of domain names. The proceeding is informal and presided over by experts in international trademark law, domain name issues, internet and dispute resolution as well as others. In UDRP, domain name conflicts are resolve irrespective of the location of the domain name holder, the complainant or the registrar.²⁷ Thus it is taken to be the most preferable means of settling disputes arising from domain name infringement. However, it is pertinent to note that instituting a proceeding under the UDRP Rules does not foreclosed an aggrieved party from instituting another action in court while the proceeding in UDRP is subsisting or at its conclusion.

REGULATION OF BUSINESS ENTITIES IN NIGERIA

²⁴ UDRP Procedures for Generic Top Level Domain (gTLDs), <https://www.wipo.int/domains>gtld>, accessed 17th February, 2022

²⁵ Usually, a complaint filed must contain the following details: (a) the domain name in question; (b) the registrant of the domain name; (c) the registrar with which the domain name was registered; and (d) the grounds for the complaint.

²⁶ Ibid

²⁷ See WIPO Guide to the Uniform Domain Name Dispute Resolution Policy (UDRP) <<http://www.wipo.int/amc/en/domains/guide/#a5and>>

The primary law governing business entities in Nigeria is the Company and Allied Matters Act (CAMA). It deals with the various types of business structures, eligibility, and process for registration and rules for operation.

The main regulatory agency of government for businesses that is charged with the responsibility of implementing the provisions of Companies and Allied Matters Act (CAMA) is the Corporate Affairs Commission (CAC)²⁸. CAC is charged with the responsibility of incorporation of companies and registration of the business name in Nigeria.

The National Investment Promotion Commission (NIPC): Interaction with this agency is only required where the business has foreign participation in its ownership. It is established by the National Investment Promotion Commission (NIPC) Act and it is charged with the responsibility of regulating foreign investment in Nigeria. Registration with the NIPC is paramount for companies having foreign participation before commencing business. The document majorly required for this are documents obtained upon incorporation with CAC.

Federal Inland Revenue Service (FIRS): Every business except those who are exempted from taxation such as incorporated trustees must remit their tax to the above agency. It was established by the Federal Inland Revenue Service (Establishment) Act, 2007, and is charged with the responsibility of assessing persons and entities chargeable with tax and ensuring the remittance of such tax to a designated account. It is pertinent and has been made mandatory to acquire a Tax identification number (TIN) by the Finance Act, 2020. In carrying out certain activities or seeking to obtain licenses, a tax clearance certificate (TCC) that bears the TIN is required. Although the activities of this agency apply to all businesses subject to taxation, not all the taxes are required to be paid by every entity, some are sector-specific.

Central Bank of Nigeria: This is established by the Central Bank of Nigeria Act, 2007 and it serves as the primary body responsible for regulating financial services and financial institutions in Nigeria. It makes regulations from time to time regulating the activities of financial institutions such as minimum share capital, the requirement for obtaining licenses, issuing legal tender etc.

²⁸ Established under the Companies and Allied Matters Act, 2004

Central Bank of Nigeria reserves the right to withdraw licenses already granted where the entity does not comply with its Regulations or lacks sufficient assets to meet its liabilities.

Other regulatory agencies of business entities include; Federal Competition and Consumer Protection Commission (FCCPC), Securities and Exchange Commission (SEC), Standard Organisation of Nigeria (SON), National Agency for Food and Drug Administration and Control (NAFDAC).

REGULATION OF TRADEMARK IN NIGERIA.

In Nigeria, the law which governs the registration of trademark is the Trademark Act (and the Trademark Regulations made pursuant to it). The government agency that is in charge of the registration of trademark is the Trademarks, Patents and Designs Registry, Commercial Law Department, Federal Ministry of Industry, Trade and Investment. Applications are made to the Registrar of Trade marks.

DISTINCTION BETWEEN DOMAIN NAME, BUSINESS ENTITIES NAME AND TRADE MARK.

The difference between domain name, business entities name and trademark is a prevalent question. At a glance, business entity name, domain name and trademark may seem similar, but in the legal perspective, it is pertinent to note that they are different because the legal rights embedded in each of them are not similar. The legal functions they perform and the legal protection they offer are quite distinct.

Using Apple as an example, “Apple Inc.” is the business entity name, “Apple.com” is the domain name, this denotes only one of the domain names owned by Apple Inc. others include me.com, icloud.com, itunes.com, iphones.com, ipad.com- the list goes on.

“Apple” is a registered federal trademark with the U.S. Patent and Trademark Office. The trademark denotes that the source of the goods or services sold in conjunction with the word “Apple” is Apple Inc. - and its subsidiaries. Apple owns many other federal trademarks too, including iPhone, iPad, Mac, etc.

BUSINESS ENTITY NAME (TRADE NAME) AND DOMAIN NAME VERSUS TRADEMARK

A business entity name is the official name under which an individual as a sole proprietor or company chooses to do business; it is the name a business or company as the case may be trades under. It identifies who a business or company is to its customers and other businesses.²⁹ Business entities' names are registered at the Corporate Affairs Commission (CAC) in accordance with the provisions of CAMA. Upon registration, there are certain rights and protection that accrue with it. In the case of a company upon incorporation with Corporate Affairs Commission (CAC), it becomes a fictional separate legal person entitled to a wider range of rights and protection than business name. Registering a trading name with CAC is an important step in branding for a business or company, but it does not provide an unlimited brand name or legal protection for the use of the name, it does not give trademark rights.³⁰

Trademark is a more significant step identified with establishing brand recognition in the marketplace. It provides a business or company's brand with legal protection as well as identifying and distinguishing the source of the goods and services. A trademark can be part of your trade name and can be used to provide legal protection for the use of names, logos, symbols or company slogans. Two easily recognized examples of trademarks are Nike's Swoosh symbol and Coke's "Coca-Cola written in its distinctive script. Trademarks are easily recognized as they are accompanied by the trademark symbol-™.³¹

DOMAIN NAME

A Domain name is a series of numbers and/or letters that; may point to a website, services such as FTP, email addresses etc. Domain names are global, unique in nature and can't be shared between two websites, a domain name is an online address that allows any user to locate a company in the cyberspace, and it provides a direct linkage between the producer/seller and potential

²⁹ J. B. Maverick, Trade name Vs. Trademark: What's the Difference? available at <https://www.investopedia.com/articles/personal-finance/120415/trade-name-vs-trademark-know-difference.asp>, Accessed on 18 February, 2022.

³⁰ Ibid

³¹ Ibid

consumers.³² Domain names are intangible assets and as such falls under the category of intellectual property. A domain name gives you the right to offer a website under that name. Registering a domain name with ICANN does not automatically give you any rights over the matching trademark. This right can be challenged by someone or entity that has trademarked that domain name. This right can only be gained by registering your domain name as trademark.

CAN DOMAIN NAME AND BUSINESS ENTITIES NAMES BE REGISTERED AND PROTECTED AS TRADEMARK?

Business entity name and Domain name can also be registered and protected as trademark provided that they satisfy all conditions to enjoy such protection.

A Domain name cannot be protected as a trademark merely because it is your address on the internet. In addition to using the name in commerce, it must be used in a way that distinguishes your goods or services from those of others. Domain names that can be registered as trademark are subject to the same rules and standard as all other classes of trademark. Any unique internet domain name which is capable of identifying and distinguishing goods and services of a company from that of other companies and can also act as a reliable source identifier for the concerned goods and services on the internet, may be registered and thus protected as trademark. *Distinctiveness is the key.* A domain name qualifies as a trademark when it is a “source indicator”. It must convey the products or services associated with the name to whoever sees the URL. Thus, not every domain name will qualify for trademark protection. The use of common or generic names will not usually meet the criteria of a trademark. Domain name trademark applies to a domain name if:

- i. It is distinctive or its distinction results from consumer association of the name and the internet business; and
- ii. The owner of the domain name was the first to use it in association with the sale of goods and services.

The root of the domain name (i.e. the web address without the www. or .com) should be unique. Names that use surnames, geographic areas, or common “descriptive” terms are generally not

³² Mondaq, “Nigeria: Cybersquatting and protection of Domain Names in Nigeria” available at <https://www.mondaq.com/nigeria/trademark/and-protection-of-domain-names-in-nigeria>, accessed on 19 February, 2022

trademarkable. For example, Books.com or California.com, would likely not receive trademark protection. However, there are limited instances where certain descriptive terms, when combined with the .com top-level domain, changed the generic nature of the combination and, thus, became eligible for trademark protection.

The most famous example of this is Booking.com.; after the USPTO initially denied Booking's registration of its domain name based on the premise that the addition of ".com" to a generic word did not render it distinctive, the U.S. Supreme court reversed the denial and found that the famous online travel agency had a protectable trademark. The court explained that whether BOOKING.com is generic "turns on whether that term, taken as a whole, signifies to consumers the class of online hotel-reservation services". Since the lower court Booking amply demonstrated that consumers perceived the term as a brand name- as opposed to a generic online hotel-reservation service- the U.S. Supreme Court awarded trademark protection. For a proper treatment of domain name as a trademark in Nigeria, the domain name has to be registered under the trademark Act

Business entity name can also be registered as a trademark under the trademark Act³³; registration of business or company name falls under part A of the trademark Act. Section 9 of the trademark Act makes provision for the registration of a company name, individual or firm in a special or particular manner.

Section 9 mandates that such name must be distinctive. It is distinctive where any of the following happens:

- (a) Name of a company, individual, or firm represented in a special or particular manner. Examples are Mark and Spencer ®, Paul Smith ®, TOYOTA ® and LG® amongst others, these marks are names of individuals, companies and firms.
- (b) Signature of applicant for registration or predecessors in his business. Examples are the unique signature of Mr. Arthur Guinness is part of the logo of Guinness Nigeria Limited and the signature of a renowned fashion designer Sir Paul Smith is his trademark.
- (c) Invented word (s), example "LIFE IS GOOD" by LG (an electronics manufacturing company), "SO MUCH MORE by DSTV (a pay to air company) and a lot of others

³³ Ibid

- (d) Word(s) having no direct reference to the character or quality of the goods and not being according to its ordinary signification a geographical name or surname. Examples are Nokia ®, Lambrusco® and Oando TM
- (e) Any other distinctive mark. Examples are the logos of Rolls Royce (Spirit of Ecstasy) and Apple Inc. (a Bitten Apple).³⁴

Distinctive means adapted to distinguish goods from others. It is distinctive either inherently or by use.

Thus, the reasons why registration will not be recognized or valid under the Trade Mark Act are:

- a. Where the person is not the proprietor³⁵
- b. Where the mark (name) is not distinctive³⁶
- c. Where the trademark (name) sought to be registered is identical or resembling existing registered trademark³⁷
- d. Where the name is a name of a chemical substance³⁸
- e. Where the name is a scandalous design, or by reason of its likelihood of deception/confusion, disentitled to protection in a court of justice or contrary to law or morality³⁹.

The trademark Act however stipulate that a registration of a trade mark shall not interfere with bona fide use by a person of his own name or place of business or bona fide description of its character or quality of goods.⁴⁰

THE SIGNIFICANCE OF REGISTERING A DOMAIN NAME AS TRADEMARK.

³⁴ O. Umah, *Registration of Trademarks in Nigeria*, available at <https://www.sabilaw.org>. accessed on 20th February, 2022

³⁵ Section 18 Supra

³⁶ Section 9 Supra

³⁷ Section 13 Supra

³⁸ Section 12 Supra

³⁹ Section 11 Supra

⁴⁰ Section 8 Supra

The significance of registering a domain name as trademark cannot be overemphasized. The notable significance of registering a domain name as a trademark is for protection. Trademarking a domain name guards against infringement by cyber squatters.

WHAT IS CYBERSQUATTING?

Under Nigerian law⁴¹, cybersquatting is well-defined as:

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

ICANN defines it as:

“Generally bad faith registration of another’s trademark in a domain name”⁴².

Due to the fact that no two entities can register the exact same domain name, and registration of domain names comes in first-come first-served basis, cyber-squatters take advantage of this system to register domain names in advance of the companies or persons that uses such names, with the aim of selling them to their rightful owners at a profit. Registrars of domain names are not strictly required to ensure that domain names as well as trademarks are purchased only by trademark owners neither do they require previous commercial use of the name before registering it. This loophole precipitated cyber-squatting.

Cyber-squatting originated at a time when most businesses had little or no knowledge of the commercial opportunities on the internet. Entrepreneurs who were technology savvy registered the names of well-known companies or companies that they suspected to have the potential to grow, as domain names, with the intent of selling the names back to the companies when they finally become aware.

⁴¹ Section 58 Cybercrimes (Prohibition, Prevention, Etc.) Act 2015.

⁴²ICANN, “About Cybersquatting”, available at <https://www.icann.org/resources/pages/cybersquatting-2013-05-03-en>, accessed 20th February, 2022

CASES OF CYBER-SQUATTING IN NIGERIA

The cases that have emerged in recent times were settled outside the judicial process. They include;

- (i) **KONGA v. JUMIA**, wherein Rocket Internet, owners of Jumia.com prior to Konga.com launching its e-commerce store, registered the domain name of Konga in 10 African countries. The facts show that the domains were registered in June 2012 by ArntJeschke on behalf of Rocket Internet GmbH in Berlin whereas Konga launched in July 2012. The domains in question were in: Cote D'ivoire – Konga.cd, Cameroun – Konga.cm, Lybia – Konga.ly, Mauritius – Konga.mu, Morocco – Konga.ma, Malawi – Kong.mw, Seychelles – Konga.sc, Saint Helena – Konga.sh, Kenya – Konga.co.ke, South Africa – Konga.co.za.⁴³

Rocket taking up 10 Konga domains across Africa just one month before the launch of an ecommerce brand that would compete with one of their subsidiaries would obviously be interpreted as a preemptive strike to contain a business threat. Konga, which eventually rose to become Jumia's biggest and fiercest competition, had not demonstrated any overt international ambition, but if they wanted to set up shop in one or all of those 10 countries mentioned above, Rocket Internet would have effectively deprived them of the benefit of domain localization.

- (ii) **LINDA IKEJI v. JONATHAN SANTOS**, where one Jonathan Santos from Belize acquired lindaikeji.com. At the time, he saw the blogs potential and he registered the domain name. Sources close to Linda revealed that Santos offered the domain to her at a premium of between \$2,000 to \$5,000 but Linda refused to be extorted.⁴⁴
- (iii) **LINDA IKEJI v. EMMANUEL EFREMOV**, Emmanuel Efremov in 2011 knowing Linda Ikeji blogs on Lindaikejisblog.com went ahead and registered Lindaikeji.net and use the reputation of the blogger to earn advertising revenue. Upon the exposing of his cybersquatting activity, he redirected the infringing site to Linda Ikeji's blog to erase evidence of the cybersquatting.

⁴³“See You In Court- Konga To Sue Rocket Internet Over Domain Squatting In Ten Countries” available at <https://techcabal.com/2014/01/16/konga-sue-rocket-internet-domain-squatting-ten-countries/> accessed on 20th February, 2022.

⁴⁴“How Cybersquatters Claimed All of Linda Ikeji's Domain Names” available at <https://techcabal.com/2014/10/09/linda-ikeji-domains-belong-to-cybersquatters/> accessed on 20th February, 2022.

- (iv) **THE NIGERIAN AIR v. OLUMAYOWA ELEGBEDE**, whereupon the launching of the National Carrier/Airline for Nigeria by the Federal Government on 18th July 2018, Olumayowa Elegbede quickly purchased the domain names; NigeriaAir.ng and NigeriaAir.com.ng on the same day and subsequently put them up for sale. Although no legal action was taken against OlumayowaElegbede, his action amounts to cybersquatting by virtue of *Section 58 of the Cybercrime Act*.⁴⁵

Another variation of cybersquatting in Nigeria is “typo squatting” which is also called Uniform Resource Locator (URL) hijacking. This is a form of brandjacking that relies on typographical errors made by internet users when inputting a website address into a web browser. Thus, in a situation where a user accidentally enters an incorrect URL or website address, they may be led to cyber squatters’ website. The Registered domain will have advertisement of services similar to the original one so that the user who made a typing error will click on these links, generating revenue for the bogus domain name⁴⁶

CASES OF TYPOSQUATTING

1. YouTube V. YouTube.ph and Youube

Google also filed complaints with the World Intellectual Property (WIPO) over the use of the domain names “YouTube.ph” and youube.com”. While the former was a domain name that led to another website, VideoRewardCentral.com⁴⁷, the latter was a proxy site loaded with advertisement link⁴⁸

2. Air France and British Airways

⁴⁵ O. Mayowa, (2019), available at Cybersquatting and Protection of Domain Names in Nigeria. <http://www.spaaajibade.com/resources/.cybersquatting-and-protection-of-domain-names-in-nigeria-oluwafunmilayomayowa/> accessed on 20th February, 2022.

⁴⁶ D. Oтуру, Legal Naija, Cybersquatting: How to protect your Domain Name/Website from Cyber-squatters” <https://legalnaija.com>, accessed 19th February, 2022

⁴⁷ Ibid

⁴⁸ Ibid

International airlines such as Air France and British Airways have also been victims of cybersquatting. www.airfrance.com has been typo squatted by www.arifrance.com, which diverted users to a website peddling discount travel.

Similarly, www.britishairways.com has been typo squatted by www.british-air-ways.com⁴⁹

3. Google V. Goggle

In 2011, Google filed a complaint with National Arbitration forum and successfully got “Goggle.com”, “Goggle.net”, and “Goggle.org”, which were considered phishing/fraud sites, taken down⁵⁰

REMEDIES FOR CYBERSQUATTING UNDER THE NIGERIAN LAW

Criminal Sanctions: cyber-squatting is expressly prohibited and criminalized in the Cybercrime Act. Section 25(1)⁵¹ of the Cybercrimes Act provides thus:

“Any person who, intentionally takes or makes use of a name, business name, trademark, domain name or other word or phrase registered, owned or in use by any individual, body corporate or belonging to either the Federal, State, or Local Governments in Nigeria, on the internet or any other computer network, without authority or right, and for the purpose of interfering with their use by the owner, registrant or legitimate prior user, commits an offence under this Act and shall be liable on conviction to imprisonment for a term of not more than 2 years or a fine of not more than N5,000,000 or to both fine and imprisonment”.

Section 25(2) (a) (b) of the Cybercrime Act, ⁵²provides further that in awarding penalty against a cyber-squatter, the court shall have regard to the following factors:

- a. A refusal by the offender to relinquish, upon formal request by the rightful owner of the name, business name, trademarks, domain name, or other words or phrase registered, owned or in use by any individual, body, corporate or belonging to either the Federal, State or Local Government in Nigeria;

⁴⁹ Ibid

⁵⁰ Ibid

⁵¹ Supra

⁵² Supra

- b. An attempt by the offender to obtain compensation in any form for the release to the rightful owner for the use of the name, business name, trademarks, domain name or other word or phrase registered, owned or in use by any individual, body, corporate or belonging to either the Federal, State or Local Government in Nigeria.

In addition to the above-stipulated penalty, the Federal High Court is empowered to make an order directing the offender to relinquish such registered name, mark, trademark, domain name, or other word or phrase to the rightful owner.⁵³

Unlike other jurisdictions of the world, currently, the Nigerian Act does not make provisions for civil remedies in form of damages against a cyber-squatter. By way of comparison, in the United States, an aggrieved trademark owner is allowed to institute an action seeking for cancellation or transfer of the domain name, in addition to asking for damages and getting and injunctive relief.⁵⁴

Comparatively, it is quite interesting to note the provisions of the United States (US) Anti cyber-squatting Consumer Protection Act (ACPA), which specifically seek to protect registered trademarks in the context of domain names. Similar to the relevant provisions of the Cybercrime Act, which in its definition of cyber-squatting specifies intent to interfere with the rightful use of a domain. The fulcrum of an action against a cyber-squatter under the ACPA is proof that the domain name was registered in bad faith.⁵⁵

DOES CYBER-SQUATTING CONSTITUTE TRADEMARK INFRINGEMENT?

The definition of a mark under Section 67 of the Trademark Act⁵⁶ is quite broad and can be deemed to apply to use of domain names.

Section 67 provides that a Trademark is:

“a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods or services and some persons

⁵³ Section 25(3) Of the Cybercrime Act, supra.

⁵⁴ See the US Computer Fraud and Abuse Act 1986 (18 U.S.C s.1030(g)).

⁵⁵ J. Onele and E. Onyilofor, (2018), *Domain Names and Cybersquatting: Implications for Trademarks in Nigeria*” The Gravis Review of Business & Property Law Vol. 9 No. 4

⁵⁶ Supra

having the rights either as proprietor or as registered user to use the mark, whether with or without any indication of the identity of that person...”.

This is where a domain name is used in relation to any good or service which is identical or confusingly similar to an existing trademark and is likely to cause confusion, such use of domain name is said to be an infringement of a registered trademark.⁵⁷

The Cybercrime Act prohibits the registration of a domain name that is similar to an existing trademark registration. The cybercrime defines the offence of cyber-squatting to include the acquisition of domain names that are “similar, identical, or confusingly similar to an existing trademark registered with the appropriate government agency at the time of the domain name registration;⁵⁸ this definition creates a link between cyber-squatting and trademark infringement.⁵⁹

Thus, registering a domain name as trademark protects the owner against cyber-squatting, as well as provides remedies to a domain name owner who is a victim of cyber-squatting. It is imperative to note that it is only a registered owner of trademark that can sue where there is infringement as well as oppose any use of domain name that infringes his domain name and not just a person that has used a domain name for donkey years without trade marking it.

SIGNIFICANCE OF TRADEMARKING A BUSINESS ENTITY NAME

- a. **Exclusive Rights:** Exclusive use of business entity name or trade name only comes through trademark registration. As stated much earlier in the introduction of this article, CAMA does not protect a company or business name from being used rather it prohibit a company name from being registered by another if similar name has been registered before.

Thus, there is no redress under CAMA for a company who complains that its name is being used by another and that the continuous use has led to loss of goodwill and profit. Such infringement can only be brought under the Trademark Act (if registered). Trademark affords a company's name statutory protection from all infringement; as well as exclusive right to the use of that name. In *Ferodo Ltd V. Ibeto Industries Ltd*.⁶⁰, the supreme court held that a trademark if registered gives its proprietor the exclusive right to use the

⁵⁷ Section 5 (2) of the Trademark Act.

⁵⁸ Section 58 of the cybercrime Act 2015

⁵⁹ *British Telecomms Plc & Ors. V. One Million Ltd* (1999) 1WLR 903, Panavision International LP

⁶⁰ (2004) 5 NWLR (Pt. 866) 317

trademark in marketing or selling his goods. And without his consent, if anyone else uses an identical mark; or any mark so nearly resembling it as to deceive or cause confusion between his own goods and the proprietor's goods will entitle the proprietor to sue for infringement of trademark or sue in action for passing- off or both.

An exception to the exclusive use of a trademarked name is where there is proof of continuous use of a similar name prior to the registration of the trademark.

Another exception is registration of similar trademarks by more than one proprietor may be allowed in a case of honest concurrent use, or any other special circumstances which, in the opinion of the court or the Registrar; make it proper so to do.⁶¹

- b. **A Trademarked Business entity name adds value:** Trade marking your business or company name adds a whole lot of value to it. Upon trade marking your business or company name, it becomes an intellectual property; an intangible asset that can be sold, licensed, franchise or mortgage. It adds credibility to your business or company. Thus, your trademark is your brand that attracts customers to your business.
- c. **Identify the origin of product/services:** when you trademark your business or company name, it identifies the origin of your product or services as the case may be, it prevents confusion in the marketplace. It tells your customers who you are and where to return to if they like or not like your product or services. Thus, it set you apart from competitors.
- d. **Counterfeit Goods:** counterfeit or copycat is not ideal for any business or company brand. They are not original; a trademarked business or company name helps Trading Standards Officers or police to bring charges against counterfeiters. It preserved the brand against loss of goodwill and finance that may arise due to the act of counterfeiters.

PROCEDURE FOR REGISTRATION OF TRADEMARK IN NIGERIA

Registration of trademarks in Nigeria is done at Trademarks, Patents and Designs Registry, of the Federal Ministry of Industry, Trade and Investment (“Registry”). An applicant is required to appoint an accredited agent to conduct the registration on his behalf through a power of

⁶¹ A. Elebiju and Ejiroghene Eferakeja, What In A Name? Issues In Conflict Of Corporate Names In Nigeria, available at <https://www.Mondaq.com/nigeria/trademark/1081998/-what39s-in-a-name39-issued-in-conflict-of-corporate-names-in-Nigeria>, acceded 25th February,2022.

attorney in the prescribed form. The procedure for registering the trademark is summarized below:

- i. **Conduct an availability search:** The accredited agent is required to conduct an availability search at the Registry, to determine whether the mark is available under the relevant class. Where the trademark is not in conflict with any existing trademark, under the relevant class, the accredited agent can proceed to register the mark;
- ii. **Acknowledgement:** upon confirmation of the availability of the trademark, the accredited agent will be required to fill the relevant statutory application form detailing the personal information of the owner of the mark as well as the name and/or specimen of the logo or mark which the applicant intends to register. Upon submission of the application form and payment of the required fees, the registry will issue an Acknowledgement form to the accredited agent confirming receipt of the application;
- iii. **Acceptance:** Upon acknowledgement of the application, the trademark will be examined by the Registry to confirm its distinctiveness and to ensure that it is not in conflict with any previously registered trademark. An acceptance form will be issued where the trade mark is deemed satisfactory by the Registry;
- iv. **Publication of the Trademark:** After the Acceptance form has been issued by the Registry, the Trademark application will be published in the Trademark Journal. The publication is a public notification to interested parties who may have any reservations on the registration of the Trademark. Any person who may have an objection to the registration of the trademark is required to file same with the registry within 2 months of the publication; and
- v. **Issue of a certificate of Registration:** where no objection is filed against the registration of the trademark or where such objection is withdrawn or overruled, the applicant will be issued a certificate of Registration by the Registry.

It is important to note that a trademark registration is valid for a period of 7 years at the first instance and subsequently renewable every 14 years after and the protection of trademark is national in nature in the sense that it is only applicable to the country where it was registered and not worldwide. Thus, a domain name or business entity name protected in Nigeria here

can be used by another person in another country of the world except where it was registered internationally.

CONCLUSION

From our foregoing discussion, it is explicit that trade marking domain names and business entities names is the best way of securing an exclusive right for a brand. It is advisable that before registering a domain name, business name or company name, trademark search should be carried out to ascertain whether the name chosen infringes the trademark rights of another. And when the search result is favourable, filing a trade mark for the name of the company, business or domain name is a very essential step to have the most suitable protection needed.

RECOMMENDATIONS

1. The cybercrime Act should be amended to define the civil aspect of cyber-squatting and provide civil remedies for the victim of cyber-squatting.
2. There should be harmonization of trademark laws of individual nations worldwide to achieve protection of domain names at the global level.
3. The Company and Allied Matters Act 2020 should be amended to include provisions that prohibit and punish the use of a registered business or company name for fraudulent commercial purposes.

