

INTELLECT FIRST

A NEWSLETTER BY
JACKSON ETTI & EDU

25 *Years*



Jackson, Etti & Edu

A FULL SERVICE LAW FIRM WITH A SECTOR FOCUS



JEE IN THE HEADLINES

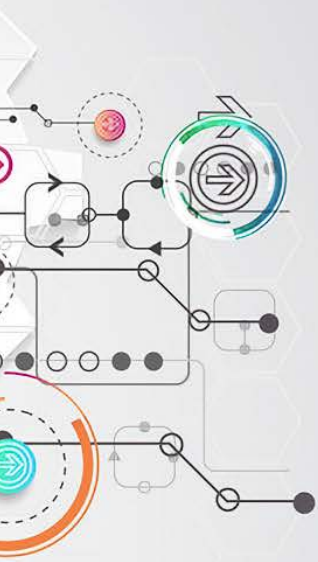
Our milestones:

- ◆ We were voted firm of the year in Nigeria at the Managing IP Awards 2020.
- ◆ For 15 straight years, we have been rated Tier 1 Law firm for contentious and non- contentious trademark and Patent work in Nigeria by World Trademark Review ("WTR").
- ◆ Highest ranking firm in for IP stars by Managing Intellectual Property ("MIP").
- ◆ Voted the "Best IP Advisor, Africa" at the innovation & IP Forum & Awards 2019.
- ◆ Our partner, Uwa Ohiku is one of the 2 Nigerians recognized amongst the [Top 250 Women in Intellectual Property 2019 & 2020](#), globally, by Managing Intellectual Property.
- ◆ Our partner, Obafemi Agaba is the president of Intellectual Property Law Association of Nigeria (IPLAN)
- ◆ Another partner, Yusuf Asamah Kadiri was elevated to the rank of Senior Advocate of Nigeria ("SAN"), which is one of the most prestigious honors to be bestowed to a litigation lawyer in Nigeria.
- ◆ Uwa Ohiku, Chinyere Okorocha, Obafemi Agaba, Ngozi Aderibigbe and Chinwe Ogban were ranked IP Stars in the 2020/21 edition of Managing Intellectual Property's IP Stars. The highest number of Lawyers ranked from a Nigerian firm.
- ◆ JEE Silver Jubilee; This year, we celebrate Jackson, Etti and Edu 25 years of excellent client service, innovation, and achievements.



26 APRIL 2021

WORLD IP DAY: “IP & SMES: TAKING YOUR IDEAS TO THE MARKET.”



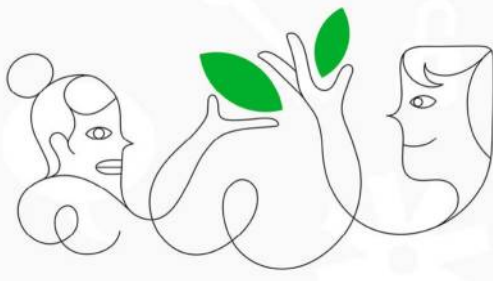
The World Intellectual Property Organisation (WIPO) celebrated this year's World IP Day on Monday 26th April 2021 under the theme: "IP & SMEs: Taking your ideas to the market". The focus is on the important role played by SMEs in the national and global economy and how IP rights can be exploited to build stronger, more competitive, and resilient businesses (WIPO - <https://www.wipo.int/ip-outreach/en/ipday/>).

SMEs are said to account for a significant chunk of businesses globally both in developed and developing economies (about 90% according to the World Bank - <https://www.worldbank.org/en/topic/smefinance>).

In Africa, PWC reports that South African SMEs account for 91% of businesses, 60% of employment and contribute 52% of total national GDP, whilst in Nigeria, SMEs contribute 48% of national GDP, account for 96% of businesses and 84% of employment.

The economic contribution is therefore quite clear, but perhaps what may not be clear, in my view, is the contribution of SMEs to innovation and creativity as well as the role of IP rights in the growth of SME businesses especially when they go to market. In Africa, lack of knowledge in IP rights enforcement and benefits is the first major hurdle and despite recent efforts by both ARIPO and OAPI, much work needs to be done in capacity development. The debate becomes even more crucial during the pandemic as the "great re-set" has forced businesses to scale down on operations and costs such that the SME/start-up model is getting the spotlight. McKinsey (South Africa) evaluates that during COVID-19, SMEs will struggle most due to lack of sufficient government support, lower private sector funding, disruption of supply chains and fewer options in the face of government restrictions (contactless business). Technology, market access and cost-effective, innovative and efficient structural models are now important for survival.

Furthermore, the AfCFTA Draft Protocol on Intellectual Property needs to be a live document that considers the current challenges facing SMEs in cross-border trade. Research and development, skills transfer, funding, and market access are indispensable in allowing SMES so mitigate the negative effects of the pandemic.



JEE CELEBRATES WORLD IP DAY

JEE CELEBRATES WORLD INTELLECTUAL PROPERTY DAY THEMED –“IP & SMES: TAKING YOUR IDEAS TO THE MARKET”.

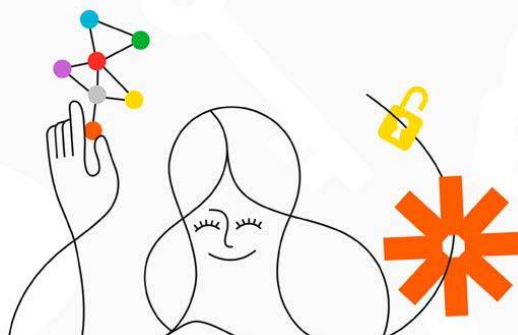
Jackson, Etti and Edu (JEE) celebrated World IP Day, 2021 in grandeur style by organizing two major flagship programs - the JEE World IP Day Media Roadshow and the JEE Masterclass.

JEE WORLD IP DAY MEDIA ROADSHOW featured enlightening discussions around the importance of intellectual property protection for the development of SMEs on National Television (Arise News) and on major Radio Stations in Lagos, Nigeria (Urban 96.5 Radio, Correct FM and 93.7 FM Rhythm).

JEE in conjunction with the Tony Elumelu Foundation (TEF), also hosted a VIRTUAL MASTERCLASS for SMEs across Africa. The masterclass which primarily consisted of the TEF Alumni, provided an avenue to enlighten SMEs on the value of their intellectual property rights and how these rights can be leveraged for competitive advantage and growth. At the session, two deserving entrepreneurs (Opeoluwa Shimi and Kolawole N. Sanni) were lucky to benefit from JEE's pro bono trademark registration in Nigeria.

The Tony Elumelu Foundation leads the trail as one of the largest ecosystems for supporting and empowering young entrepreneurs across the continent. World IP Day, 2021 was indeed enlightening and an avenue for the firm to give back to the society and encourage the growth of small and medium scale businesses.

HAPPY WORLD IP DAY!!!



'AN IP PERSPECTIVE TO SOURCING FUNDS FOR SME's.

IZOTENE FIDEL-ANYANNA

Introduction

Despite the crucial role played by SMEs in economic development by driving innovation, creating employment opportunities, and alleviating poverty, their growth in Nigeria remains hampered by challenges such as financial constraints, absence of basic infrastructure, uncertainty in government policies, lack of an enabling business environment to thrive, branding issues and lack of awareness and regard for intellectual property rights amongst others.

Perhaps the major obstacle to the growth of SMEs in Nigeria remains the inability to access funding for their business operations. Across the SMEs ecosystem in Nigeria, business owners either lack adequate capital to start a business or sufficient funds to grow their businesses. This inability to access funds may stem from factors such as lack of adequate collateral to secure loans, lack of proper credit

risk assessment, and even unwillingness of banks to give out credit facilities to SMEs due to the perceived high-risk nature of SMEs, their limited portfolios, and the high transaction expense that banks incur in conducting credit valuation on them amongst others.

SMEs account for about 90% of all companies and more than 50% of all employment worldwide. In developing markets, formal SMEs will account for up to 40% of national income (GDP).¹ In Nigeria, SMEs account for 48% of national GDP, 96% of businesses, and 84% of employment.² These figures are



1 See [World Bank SME Finance](#) assessed on 16.04.2021.

2 See [Nigeria SME survey \(pwc.com\)](#) assessed on 16.04.2021.

indicators of the urgent need to fashion out creative solutions for SMEs to secure required funding for their business operations because of the strategic position they occupy in stimulating economic growth and development.

The Way Forward: An IP Perspective.

Indeed, there is a general lack of awareness of and disregard in Nigeria for intellectual property rights that exist in the operation of SMEs. There are several factors responsible for the widespread apathy towards the registration of intellectual property rights in Nigeria by SMEs. One example is the lack of knowledge or enough information about the value of intellectual property in day-to-day business. Owners of SMEs have little knowledge of intellectual property and they do not fully grasp its relevance to their businesses. In addition to this, there is the issue of high cost and arbitrary delays

associated with registering IP rights in Nigeria.

As SMEs remain the key drivers of innovation in developing economies like Nigeria, the exploitation of the intellectual property rights that exist in the business can proffer solutions to some of the problems faced by SMEs in Nigeria.

As stated above, funding remains the major hinderance to the growth of SMEs in Nigeria. Intellectual Property can assist in solving this problem in a number of ways one of which is IP Securitisation. Securitisation is a process in which certain type of assets are pooled so that they can be repackaged into interest bearing securities.³ To put it simply, securitisation occurs when the expected cash flow on an asset is used as a collateral for the repayment of debts. Since IP has been categorized as an asset, owners of SMEs can raise money for their businesses by securitizing their IP. SMEs can securitise either through Intellectual Property Royalty Financing or Loan Collateralisation.

3 See [Back to basics: What Is Securitization? – Finance & Development – September 2008 – Andreas Jobst \(imf.org\)](#) assessed on 16.04.2021.



Through Intellectual Property Royalty Financing, SMEs in Nigeria can have access to funds to run their businesses by taking the expected cash flow from a licence agreement as cash payment up front. In this method of securitisation, the owner of an SME enters into an IP Licensing agreement⁴ with another entity (individual or business) and receives payment upfront for the future income expected from the license by estimating the present value of the future cash flow.⁵

With respect to Loan Collateralisation as a form of IP Securitisation, SMEs can borrow money up to the value of their IP portfolio and use the IP rights in the portfolio as collateral. An example of this is a patent backed loan transaction of US\$17 million financing raised by GIK Worldwide, a small technology company with valuable patents in technology for delivering high-speed broadcast quality video conferencing. To raise money, GIK borrowed from Pitney Bowes Capital and collateralised the debt by its patents portfolio valued at US\$57 million.⁶

With IP Securitisation, SMEs in Nigeria are able to quickly raise funds to support the growth of their businesses thus keeping it running and providing more value towards economic growth in the country. In addition, with IP Securitisation, ownership of IP rights is not lost, and they can still be exploited for the

creation of more value.

On another note, SMEs are urged to not downplay the importance of branding in their business operations. Branding provides SMEs the identities they desire, and this translates to better relationship with their target customers. With branding, SMEs are able to drive up demand for their products thereby increasing sales. Market expansion also becomes possible when a product is backed by a well-known and trusted brand.

By registering its trademarks, an SME is able to brand its product in such a way that customers are able to distinguish its products/ services from that of competitors. With persistent use and assurance of quality, an SME enjoys increase in sales and in turn, profits. Branding of a product also extends to the aesthetic features of a product which are also covered under intellectual property and known as industrial design. With the registration of its industrial design, an SME is assured that customers can differentiate its own product from its competitors.

In conclusion, there is no gainsaying the fact that recognition, protection, and exploitation of intellectual property rights may just be the game-changing pathway for SMEs to start to creatively address the challenges of access to funding.

4 A business model where a lump of IP rights of a business are granted to a third party to use for a limited period of time, in a specific location and often for specific products.

5 See [The Securitization of IP Assets: Issues and Opportunities by Naina Khanna :: SSRN](#) assessed on 16.04.2021

6 See [Securitisation of intellectual property assets in the US m... \(ipo.org\)](#) assessed on 16.04.2021.

UPDATES IN NIGERIAN IP

INDUSTRIAL PROPERTY JOURNAL UPDATES

Pursuant to the provisions of the Patents and Designs Act. The Patent and Designs Registry has published its maiden edition of the Patents and Designs Journal Vol. 1 No. 1 dated 17th March 2021. The publication of this journal by the Patent and Designs Registry is part of its efforts to encourage the eco-inventing system within the country and to provide a springboard for breakthrough inventions in the wake of COVID-19 Pandemic. By a letter referenced CLD/CORR/PRI/587/24, the Registry informed all concerned stakeholders and the general public of an opposition window of 60 days opened to any interested third-party to oppose the grant of any of the published patents and designs.

Interestingly, Nigeria operates a post-grant opposition system which means that the opposition window starts once a patent or design application is granted. This is in contradistinction to what obtains when an application for trademarks registration is filed. According to Trademark laws, Trademark publication is a prerequisite to the issuance of trademark certificate. As such, a pre-grant opposition system is in operation here as the call for opposition is made prior to grant of trademarks certificate.

The Nigerian Trademarks Registry had recently published two Trademarks journals which are the IPAS & PRE-IPAS TRADEMARKS JOURNAL, VOL. 1 NO. 1 dated 31st March 2021 and the ONLINE TRADEMARKS JOURNAL VOL. 1 NO. 2 dated 8th April 2021.

This IPAS & PRE-IPAS Trademarks Journal featured about 400 marks which were either filed prior to the introduction of the Registry's Intellectual Property Administration system or

through the IPAS platform at the Trademarks Registry. The ONLINE TRADEMARKS JOURNAL on the other hand contained about 1500 marks all of which were filed through the Registry's electronic portal.

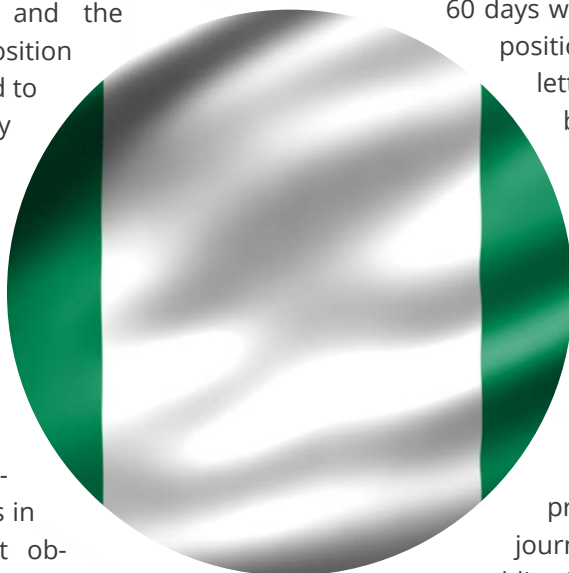
In addition, it is imperative to point out that there exists a difference in the window period for opposition under both systems. Under the Trademarks Act, any person who has any opposition to the registration of any of the marks published is expected to give notice of such opposition to the Registrar within two months of the publication. However, no such provision exists under the Patents and Designs Act and the

60 days window period given for opposition in the above-mentioned letter can be said to have been prescribed in exercise of the discretionary powers granted to the Registrar to publish a Patents and Designs Journal.

Publication being one of the legal requirements for the registration of trademarks, patents and designs in Nigeria makes prompt publication of these journals highly desirable. These publications represent part of the

Registry's efforts to ensuring continual publication of new issues of Trademarks, Patents and Designs journals so that the backlog of pending applications can be resolved, and applications already being filed can be published within a short period after acceptance and registration.

The process of registering intellectual property rights in Nigeria is usually plagued with delays, making the entire process unappealing to business owners (and private individuals). However, with prompt publication, there is a positive impact on the ease of doing business in Nigeria as the period between filing an application and issuance of certificates would most certainly shorten.



UPDATES IN AFRICAN IP



ARIPO

The Government of the Republic of The Gambia deposited its Instrument of Ratification to the Banjul Protocol on Marks with the Director General of ARIPO on 3 May 2021. In accordance with the provisions of the Protocol, the latter will enter into force, with respect to the Republic of The Gambia, on 3 August, 2021.

Pursuant to the above, with effect from 3 August 2021, The Gambia will be eligible for designation for applicants under the Banjul Protocol.

The Ratification of the Banjul Protocol by the Republic of The Gambia brings the number of Member States party to the Protocol to twelve (12).

Source: <https://www.aripo.org/the-gambia-ratifies-the-banjul-protocol-on-marks/>



ANGOLA

The Angolan government suspended the proposed increase of official fees for IP services. There is, however, a significant change in the trademark registration procedure. Namely, instead of the payment of the granting fee after the opposition period, the Angolan PTO is now requiring the payment of the granting fee alongside the trademark application filing.

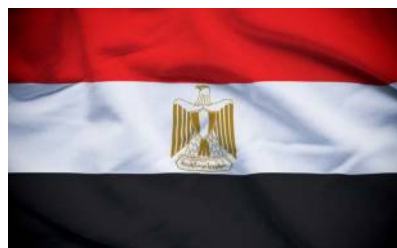
Further, there is ongoing records update at the trademark's registry. Applicants with applicant numbers between 5001 and 20757 have been affected, hence applicants are advised to send

such documents as Power of Attorney, certified copies of company incorporation documents, renewal fees receipt etc.



BURUNDI

The Burundi government introduced a new Industrial Property Act on 28 July 2009; however, they subsequently issued a problematic directive. According to this directive, all trademarks, designs, and industrial models registered before 28 July 2009, would be perpetual registrations and therefore not subject to renewal. This error has been corrected hence all IP is subject to renewal.



EGYPT

Egypt is a member of the Paris Convention, however, the IP Tribunal ruled that they are not competent to adjudicate oppositions based on "famous" trademarks especially where goods are not similar, so applicants are advised to ensure statutory registration of their marks.



ERITREA

Trademarks in Eritrea are protected by way of

Cautionary Notices as there is no substantive IP legislation in that country. The Ministry of Information has recently suspended the publication of all Cautionary Notices. State controlled papers have the prerogative to publish Cautionary Notices hence this causes problems for trademark proprietors and prospective applicants.

Eritrea is the only African country that has abstained from joining the African Continental Free Trade Area (AfCFTA). She therefore lacks an open investment policy.



THE GAMBIA

The Gambia is now a party to the Banjul Protocol on trademarks within the ARIPO system. The Gambian government deposited its Instrument of Ratification to the Banjul Protocol on Marks with the Director General of ARIPO on 3rd May 2021. The Protocol will take effect from 3rd August 2021, such that applicants will be able to designate the Gambia for trademark filing.

We advise caution, however as the Gambia is a British Common Law country, hence the Protocol has to be ratified first before it can be enforced. To that end, trademarks filed under Banjul in Gambia may be subject to challenge before this process is completed. We continue to monitor progress of the domestication of this treaty ahead of August.



SOUTH AFRICA

The Protection of Personal Information Act, 2013 ("POPIA"), South Africa's privacy or data protection

legislation, comes into effect on 1 July 2021. POPIA applies to all businesses with employees, customers and suppliers, with respect to the processing (which includes collection, use, receipt and destruction) of personal information, such as names and contact details, of individuals and juristic persons, in South Africa.

The law places various obligations on a "responsible party" (such as a public or private body or any other person which, alone or in conjunction with others, determines the purpose of and means for processing personal information). Size or turnover is irrelevant; hence SMEs are not exempt. Penalties for non-compliance include fines of up to ZAR10-million (US\$ 715 813/£506 008/ €588 244) and or 10 years imprisonment for the head of the organisation or civil damages claimed by data subjects.

Contact our Technology Media & Entertainment Sector Team for advice on how to be compliant before 1st July 2021:

Mrs Ngozi Aderibigbe, Sector Head:
ngoziaderibigbe@jacksonettiandedu.com

Ms Joy Azumara, Deputy Sector Head:
joyazumara@jacksonettiandedu.com



TUNISIA

The Tunisian government has introduced a 100% increase in filing fees for trademarks.



UGANDA

The Trademarks Regulations of Uganda were recently amended by the Trademark (Amendment)

Regulations No. 9 of 2021 (the Amendment). The Amendment brings changes to twenty-six (26) provisions of the Regulations with the most notable being operationalisation of the Register of agents, introduction of an IP journal, and payment for extension of time. All amendments and changes introduced by the Amendment apply to trademark applications and requests filed and made on or after 5th February 2021. The Trademarks Registry will issue guidelines on the practicalities of the amendments.

Trademark agents - must be an admitted attorney by the High Court of Uganda and registered by the Registrar.

Register of Agents - Agents must renew their registration every year. While registration of agents is for individual advocates, a law firm can be recorded as an address for service. Registrar will publish the official register annually.

Classification - All marks now under the latest edition of the Nice Agreement (International Classification of Goods & Services)

Publication of Applications & Notices - Amendment introduces official publication in the Gazette for a fee of USD 80 and UGX 100,000 per application for foreign & local applications respectively.

Extension of Time - the Amendment introduces a statutory form (Form TM 42A) and a fee for an application for extension of time. The extension of time fee is USD 50 and UGX 25,000 for foreign and local applicants, respectively.

Request for Search - Previously, trademark register searches have been requested for by ordinary letter or even oral presentation of proof of payment of the relevant search fee at the Trademarks Registry. The Amendment, however, has introduced a statutory form (Form TM 27) for a request for a trademark search.

The ordinary trademark search and its relevant form remain different from the request for preliminary advice by the Registrar as to distinctiveness under Form TM 28.

Other Amendments:

An address required under the Act shall include the name of the street, the plot number, a postal code number, an email address, and a telephone

number.

The second notice of renewal by the Registrar before expiry of a trademark registration is revoked.

Application in Form TM 4 requiring the Registrar to state in writing the grounds of and materials used in arriving at a decision at examination of trademark application is revoked.



ZIMBABWE

The Zimbabwe Intellectual Property Office (ZIPO) Industrial Property Automation System (IPAS) has been restored, effective 10 May 2021. IPAS, which is necessary for the processing of all IP activities filed at ZIPO, has not been functioning since August 2020. All documents filed during that time were not processed, placing the office at a standstill and creating a serious backlog. That coupled with the COVID regulations which require reduced staff, days and hours of work and other issues means that it will require considerable effort and likely further delay to upload the documents onto the IPAS system, process outstanding matters, and issue certificates and other documents to applicants.

We are advised that the restored IPAS system contains all the historical IP data from the date that the malfunction occurred going backwards. In addition, the office has access to the 2020 data file for the purpose of numbering and will assign 2020 file numbers to all new applications filed in 2020 before moving on to those filed in 2021.

We expect to be receiving further direction from the Registrar on all operation procedures that may be necessary for the full restoration. For now, we may advise accordingly that our clients may resume direct applications in Zimbabwe.

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