

Countering the Constraints on Trademark Protection in South Sudan

Introduction

A successful business requires a commitment to building a proper foundation and platform from which to launch and build it. One of the foundations of any business is distinctive and protected trade identity that includes registered trademarks.

Needless to say, disregard for intellectual property registration and unprotected trademarks are some of the mistakes made by the many of trademark proprietors across the globe that have tasted the bitter fate of infringement over the years.

In London (United Kingdom) and Philadelphia (United States), for example, 85% of brands experienced trademark infringement in the year of 2020, showing a steady upward trend from 81% in 2018 and 74% in 2017 (CompuMark, 2020). With the consecutive patterns of an upward trend, the figures in 2021 and 2022 are likely show further percentage growth.

Counterfeiting and Trademark Infringement

Intellectual property (IP) infringement, especially in the form of counterfeiting or trade in counterfeit goods, is undeniably a threat to efficient business and well-being of consumers. It also damages the engine of economic growth, by reducing business revenues and undermining incentives to innovate. According to OECD and EUIPO, 2018, high levels of corruption and poor IP protection are factors that greatly influence the degree of trade in counterfeit goods.

South Sudan imports majority of products, be it food or non-food items. Most of these products are either from or pass through Uganda, Kenya or Tanzania (as key trade partners of South Sudan in the East African region). Within that context, the absence of IP law, makes South Sudan a fertile ground for trademark infringement especially in form of counterfeiting or trade in counterfeit products. This economic vice is further entrenched by the fact that most the producers or manufacturers of the imports are established outside South Sudan making it difficult for them to protect their products and brands against IP infringement (in the form of counterfeiting). While there is arguably no statistics on magnitude of trademarks infringement in South Sudan, the possibility of its high prevalence cannot be ruled out.

Trademark infringement can have a devastating impact on brands. For those that have suffered the fate, the experience has taught that the consequences are significant including customer confusion, loss of revenue, and damage to brand reputation. According to CompuMark, 2020 (as the industry leader in trademark research and protection, and a Clarivate Analytics company), three quarters of trademark infringements lead to litigation, with proprietors spending quite a lot of money on legal proceedings. In some cases, victims of the infringement are forced to rebrand, an exercise which can be costly for brands.

Absence of IP Laws

IP protection is quite a complex thing in South Sudan, especially at this time where there is no law regulating it. Previously, the Ministry of Justice and Constitutional Affairs had, through directives issued, allowed the registration of trademarks until the issuance of a trademark law. The Ministry argued that the path to final realization of a law that fervently protects IP rights seem long. Unfortunately, the registration of IP rights has been indefinitely suspended by the Ministry. Simply put, currently you cannot register a trademark or any IP

right in South Sudan. No parallel IP laws exist, be it on patents, copyright (even though a 2021 bill has been in the offing), industrial designs, geographical indicators, etc.

With the urgency to implement priorities areas in the peace process, the priority of IP law creation is probably low. The IP laws are either in their preparatory stages or not passed as bills by the Legislative Assembly. The chances of any of the IP laws being passed in the next 24 months is arguably unlikely.

The implication of this is that an owner of a trademark must develop innovative and creative ways of protecting a trademark against any or possible infringement. The goal of any trademark owner should be to mitigate the risk of meeting the fate of infringement by way of unauthorized use of the trademark by a third party. The idea is for brands to create, protect and advance their most valuable IP—but how?

Some existing laws that provide for IP protection

As already noted, at present, South Sudan has no IP laws. Nonetheless some protection of IP rights is afforded under the following existing laws.

(a) Investment Promotion Act, 2009: Section 35 of the 2009 Act obliges the government to protect the IP rights of all persons and investors in South Sudan and to enforce rights to trademarks, copyrights, patents, and other IP rights in accordance with related international conventions to which South Sudan is a signatory.

(b) Registration of Business Names Act, 2008: The 2008 Act provides the framework for the registration of business name or style under which any business is carried on other than the true names of an individual. Having a place of business in South Sudan is a pre-condition for registration of any business name.

(c) Southern Sudan Research Council Act, 2007: The 2007 Act establishes Southern Sudan Research Council and provides for its management as an independent public institution. This institution is mandated, among others, to promote innovation, creativity and originality of thought and protection of IP rights.

(d) Penal Code Act, 2008: Sections 368, 369, 370, 371, 372, 373 and 374 of the penal law criminalize use of false Property mark, counterfeiting a property mark, making or possession of any instrument for counterfeiting a Property mark, making a false mark on a receptacle containing goods, making use of a false mark, and tampering with a property mark with the intent to cause injury. Section 367 defines a property mark as a mark used for denoting that movable property belongs to a particular person. These provisions only provide penal protection to trademarks (excluding service marks) since, from its definition, the mark must relate to a movable property.

As is evident, the foregoing laws are majorly Comprehensive Peace Agreement (CPA)-era and pre-independence laws.

Placeholder measures to protect trademarks

(a) Cautionary Notice approach

What it is: A Cautionary Notice is a mere publication of a notice in the newspaper to inform the general public about the legal rights of the trademark owner. The practice of publishing cautionary notices in newspapers may seem old-fashioned and uncommon in South Sudan but its relevance cannot be under looked, as it can benefit trademark owners.

The general practice dictates that publication of a Cautionary Notice is usually taken soon after the completion of registration or renewal of a trademark. However, in the context of South Sudan—where the justice ministry has indefinitely suspended the registration of IP rights—prudence will prodigiously require any vigilant proprietor of a trademark to publish a Cautionary Notice notwithstanding the fact that the trademark has not been registered.

Regular publication of a Cautionary Notice will remind the public about the ownership of the trademark and ward off any potential infringer or imitation. Beneficially too, publishing a Cautionary Notice has a definite trade advertising and commercial value.

There are no documents required to publish a Cautionary Notice in South Sudan. However, to publish a Cautionary Notice, standard practice requires the following information about the marks—name, address, status and nationality of the proprietor; image of the mark, in case mark, is a device/logo mark; and classes and specification of goods and services.



Experiences in other countries: The use of Cautionary Notices has been used in a number of countries. An example is Ethiopia which had no IP legislation until 2006. Before 2006, IP holders obtained some limited protection of their IP rights by way of publishing cautionary notices in local newspapers. These notices were then taken to the Ethiopian Intellectual Property Office (EIPO) which issued a deposit certificate with a six-year term of validity and periodic republication requirements (Vera Albino, 2021).

Notably, there have been a number of Ethiopian litigation-related IP cases. This includes one involving In-N-Out Burger, a US fast-food chain, and a local restaurant which adopted the same brand. The IP dispute was decided in favour of the US business, which forced the local restaurant to change its name to 'In-Joy Burger' and pay compensation. The other is conflict between Intercontinental Hotel Addis Ababa and Intercontinental Hotel International, in which the Ethiopian courts decided against the infringing party (Intercontinental Hotel Addis Ababa) affirm that use of publication of a Cautionary Notice is in fact very opportune measure for the effective protection of trademarks.

On its part, Maldives does not have specific IP law(s) or office. IP protection is by the way of publication of Cautionary Notice under the common law of "passing off" as it amounts to notice at large.

On the other hand, as of 2018, Myanmar did not have specific IP laws. However, some laws, such as, among others, the Penal Code Act, the Foreign Investment Act and the Registration Act, have provisions on registration of IP. Myanmar recognizes Cautionary Notices as a way of protecting IP rights.

(b) Registering a trademark as a business name

Where the trademark consists of a name, it is logically protective and works to register it as a business name under the *Registration of Business Names Act, 2008*. This protects the trademark against registration or use as a business name by a third party. For a foreign business to have the benefit of this measure, having a place of business in South Sudan a precondition. The certificate of registration of a business name is *prima facie* evidence in all legal proceedings of the ownership of the name (and, by inference of law, the trademark in the tradename).

(c) Registration of trademark in a another jurisdiction

A trademark owner may choose to register his or her trademark in another jurisdiction that allows registration. It is an accepted principle that a mark duly registered in one country is regarded as independent of marks registered in other countries, including the country of origin (Article 6(3) of the *Paris Convention for the Protection of Industrial Property*). It is also accepted that registration of a foreign registered trademark cannot however be refused on the ground that the trademark was not registered in the country of origin.

The trademark laws of Uganda and Kenya allow the registration of trademarks by foreign applicants and provide protection for well-known trademarks. Sections 44(1) and (2) of the *Trademarks Act, 2010* (Uganda) and section 15A(4) of the *Trademark Act, Cap. 506* (as amended) (Kenya) prohibit the registration of a trademark if it, or an essential part of it, is likely to impair, interfere with or take unfair advantage of the distinctive character of a well-known trademark.

In both countries, Uganda and Kenya—which are signatories to the Paris Convention and the WTO Agreement—a proprietor of a well-known trade mark, is entitled to protection as long as he or she is a national of a country which is a signatory to the Paris Convention or the WTO Agreement, or is domiciled in, or has a real and effective industrial or commercial establishment in, a country which is a signatory to the Paris Convention or WTO Agreement, whether or not that person carries on business or has any good will in Uganda or Kenya (s.15A(1) of the *Trademark Cap. 506*). This principle of IP protection has been upheld by the courts (*Kampala Stocks Supermarket Co. Ltd v Seven Days International Ltd*. (Civil Suit 112 of 2015)).

It is important to note that South Sudan is neither a signatory to the Paris Convention nor the WTO Agreement. It is also not a member of the WTO or WIPO. This means that even if trademarks were registrable in South Sudan, they would not be protected as well-known marks in the neighbouring countries such as Uganda and Kenya which are signatories to the Paris Convention and the WTO Agreements. Registration of a trademark of South Sudan



origin in any of these two countries will rather offer dual direct or indirect protection to the trademark.

Conclusion

South Sudan does not have specific IP laws. Currently, the registration of IP rights has been suspended arguably until a law is passed. The prevalence of IP infringement, especially in the form of counterfeiting or trade in counterfeits or unauthorized use of business names or trademarks cannot be ruled out. Contextually, in addition to protection measures offered in the existing legal framework, the publication of a Cautionary Notice and registration of a trademark in another jurisdiction are opportune protection measures. They help to establish evidentiary assertion of a right before any court—they can also constitute a *prima facie* and *circumstantial evidence* in favour of the proprietor in case of IP infringement.

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