

Uganda

Contributing firm

Sipi Law Associates

Authors

Paul Asiimwe

Managing Partner

Eva Mudondo

Legal Associate

1. Legal framework

National

Trademarks in Uganda are governed by the Trademarks Act, Cap 217, and the Penal Code Act, Cap 120. The Trademarks Act provides for grant, registration and remedies for trademark infringement. Chapter XXXVII of the Penal Code Act prohibits counterfeit trademarks, among other things.

The Trademarks Act largely draws on the UK Trademark Act 1938. This act extends the protection afforded to individuals and corporations to trademarks registered under it. Section 1 of the Trademarks Act defines a 'trademark' to mean: "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 and some person having the right either as proprietor or as 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 as a certification mark."

Uganda has recently taken great strides in promoting the protection of all IP rights through an ongoing commercial law reform programme. However, current challenges to the enforcement of trademark law in Uganda include the lack of a specific institution charged with fighting counterfeits and the lack of interest of small and medium-sized enterprises in using the law. This lack of interest is due to the time it takes to get a mark registered and the non-registrability of service marks in Uganda.

International

Uganda is not a member of the Madrid System. However, the following trademark-related treaties apply:

- the Paris Convention for the Protection of Industrial Property;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), although Uganda is yet to conform to minimum standards; and
- the Banjul Protocol on Marks under the African Regional Intellectual Property Organization.

2. Unregistered marks

As a general rule, Section 4 of the Trademarks Act does not permit institution of civil proceedings for recovery of damages for infringement of an unregistered mark. However, the same section allows owners of unregistered marks to bring actions for passing off. This means that a plaintiff would have to satisfy the usual common law requirements for proof, such as injury to goodwill established in Uganda, damage or loss caused and misrepresentation.

3. Registered marks

Ownership

Section 19(1) of the Trademarks Act provides that any person claiming to be the proprietor of a trademark that it has used or proposes to use and that is desirous of registering the mark must apply in writing to the registrar in the prescribed manner for registration either in Part A or in Part B of the register. This clause has three essential elements:

- The applicant must be claiming ownership;
- 'Any person' includes individuals, partnerships or bodies corporate and associations; and
- The applicant must have used or propose to use the mark.

The registered owner of a trademark has a right to use it to the exclusion of all other persons, but can assign it to other persons to use.

Section 59 of the act also provides for jointly owned trademarks. The provision goes on to say that where the relationship between two or more persons interested in a trademark is such that not one of them is entitled to use it, except on behalf of both or all of them or in relation to an article with which both or all of them are connected in the course of trade, the applicants may be registered as joint proprietors of the trademark and the act shall have effect in relation to any rights to the use of the trademark vested in those persons as if those rights had been vested in a single person.

However, nothing in the act shall authorize the registration of two or more persons who use a trademark independently, or propose so to use it, as joint proprietors of the trademark.

Scope of protection

Under the Trademarks Act, a 'trademark', for the purposes of registration, is defined broadly to cover the following:

- a sign used or proposed to be used in relation to goods;
- a sign used for the purpose of indicating a connection in the course of trade between the goods and proprietor;
- a sign used with or without any indication of the identity of that person; and
- a device, brand, heading, label, ticket, name, signature, word, letter or number, or any combination of thereof.

This means that a trademark qualifies for registration if the following requirements are met:

- The mark is used in relation to goods for the purpose of indicating the connection of these goods with the registered proprietor or registered user of the mark; and

- The mark is capable of distinguishing the goods of one person from those of others.

All marks requiring registration in Part A of the register must be distinctive.

On the other hand, no mark is registrable under the act if it is identical or resembles other trademarks already registered. Under Section 14(1), no trademark shall be registered in respect of any goods or description of goods which is identical to a trademark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or which so nearly resembles such a trademark as to be likely to deceive or cause confusion.

The Trademarks Act also makes it unlawful for any person to register a trademark or part of a trademark that incorporates any scandalous design, or the use of which would be likely to deceive or cause confusion, thus removing the mark's entitlement to protection in a court of justice, or which would be contrary to law or morality.

Currently, only visually perceptible signs can be registered as trademarks. Non-traditional trademarks such as smell and sound marks cannot be registered.

Each application is restricted to one class.

4. Procedures

Applications filed by foreigners must designate an advocate of the High Court who will prosecute the application as the agent of the applicant. A power of attorney must be submitted together with each application which entitles the agent to represent the applicant in all proceedings, such as an opposition.

Examination

Conducting a search is not mandatory for an intended applicant. However, running a search will save the applicant from forfeiting its filing fees if objections are lodged during the 60-day designated period. Searches cost \$65 per mark.

If a search is carried out and the registrar objects to the application, he shall inform the applicant of the grounds for objection in writing pursuant to Rule 32 of the Trademark Rules. The applicant must then apply for a hearing within one month or file written objections to the registrar's position; otherwise the application shall be deemed to have been withdrawn.

When a trademark is filed in the prescribed form, the registrar allocates a registration number. The mark is then examined further and advertised in the official *Uganda Gazette* for 60 days, after which the registrar will grant the applicant a registration certificate if no oppositions are filed.

The registrar will consider any opposition filed during the prescribed 60 days. If the registrar decides an opposition in favour of the applicant, he will proceed to register the trademark in Part A or Part B, as the case may be, and the trademark, when registered, shall be registered as from the date of filing the application.

Opposition

Oppositions are regulated by Section 20(3) of the Trademarks Act, which provides that any person may, within the prescribed time from the date of advertisement of an application, give the registrar notice of opposition to the registration. Rule 46 of the Trademark Rules requires that the opponent give notice by filing Form TM 6.

Registration

Section 11 of the Trademarks Act entitles applicants of marks that are distinctive to apply under Part A of the register. However, in practice

most applicants prefer to apply under Part A, unless the registrar takes an adverse position.

Under Section 2, when an application for registration of a trademark in Part A or in Part B of the register has been accepted, the registrar shall register the trademark in Part A or B, as the case may be. The application date shall be deemed to be the date of registration. The registrar then issues a certificate in the prescribed form under the hand and seal of the registrar.

Where registration of a trademark is not completed within 12 months of the date of application, the registrar will give notice to the applicant, after which he may treat the application as abandoned. In uncontested applications, a certificate can be issued within four to six months.

Marks are valid for seven years and can thereafter be renewed for 14-year periods.

Removal from register

Section 35 of the Trademarks Act provides and allows for the cancellation of a registered trademark upon application either by an aggrieved person to the court or the registrar, or by the registrar to the court or on application by the registrar to court. The registration may be expunged or modified on the grounds that it contravenes a condition entered in the register.

All decisions of the registrar can be appealed to the High Court.

Fees

Foreign applicants must pay the official fees payable in US dollars. The fees are as follows:

- search – \$65;
- application – \$150;
- gazetting – (approximately) \$90;
- filing opposition – \$250;
- counter-statement – \$150;
- hearing opposition – \$250; and
- grant – \$250.

5. Enforcement

Civil actions for enforcement of trademark rights can be pursued only through the High Court. However, the state can prosecute trademark infringement through the magistrates' courts under the Penal Code Act.

Under the Trademarks Act and the Penal Code Act, the courts can award any of the following forms of relief:

- injunctions;
- damages;
- seizure and destruction of goods; and
- any other relief that the High Court may deem fit.

Most trademark infringement actions brought to the High Court involve counterfeiting of mass-consumption consumer goods such as shoe polish, mattresses, fruit juices, candles and detergents. In practice, although the Revenue Authority and the Bureau of Standards have no statutory mandate to take deterrent action against infringement, it is prudent for owners who suspect that counterfeits are on the market to request these institutions to inform them when infringing goods are discovered. The Revenue Authority is particularly important for owners who may wish to invoke border measures to stem counterfeits from neighbours in the East African Community such as Kenya and Tanzania.

Damages are awarded subject to proof of loss. Ugandan courts do not award punitive damages.

Timeframe

Since inception of the Commercial Court Division of the High Court, trademark disputes have been handled with greater urgency. The court is keen to issue injunctions where they are sought by plaintiffs to enable investigations of trademark infringement to proceed without disappearance of the subject matter. Injunctive relief, once sought

from the Commercial Court Division, can come fairly rapidly, within less than a month of the application being filed or days for administrative actions. Hearing and conclusion of the full case depend on complexity and could take between six months and one year. Unfortunately, greater challenges can be expected where trademark infringement is being prosecuted through the criminal route in magistrates' courts. The process there tends to be compromised by slow police investigations and should be considered only as a remedy of last resort.

6. Ownership changes - legalization requirements

Uganda has no requirements for legalization of documents, unless an applicant or owner wants to prove dominance of the mark or prior use. In cases where authentication of the application is required from the applicant's country, it is usually done through the Ministry of Foreign Affairs and the applicant's local embassy or high commission. However, it is mandatory for assignees to register their interests under Section 27.

7. Areas of overlap with related rights

Due to weaknesses in some areas of IP protection, owners with design rights and copyright tend to take advantage of trademark law for protection. This is largely the case where textile designs are concerned, since Uganda's industrial designs law is based on the UK Designs Protection Act, Cap 218, which is outdated and in many ways inappropriate.

Below are some key changes recommended by the Uganda Law Reform Commission that may soon be included in an amended act:

- Trademark infringement offences under the Penal Code Act should be reflected in the Trademarks Act and accordingly repealed from the Penal Code Act.
- The definition of a ‘trademark’ should be widened to include service marks. This would bring the legislation into compliance with Uganda’s obligations under the TRIPs Agreement.
- The definition of a ‘mark’ should be widened to include words, symbols, slogans, logos, sounds, smells, colours, brands, labels, names, signatures, letters or numerals as well as product configurations that are commonly used to indicate the source of a product or service.
- The term of protection to be granted for a trademark or service mark should be 10 years, renewable for further 10-year periods.
- The priority rights granted to Paris Convention member countries should be effectively enforced.
- Offences should be created and penalties provided prohibiting:
 - the falsification of a registered mark;
 - the false application of a registered mark; and
 - the manufacture and possession of die for use in commission of an offence.
- The new law should make provision for the following remedies:
 - injunctive relief;
 - prohibition of import of goods bearing an infringing mark (ie, counterfeit goods) and forfeiture of such goods;
 - prohibition of export of goods bearing an infringing mark and forfeiture of such goods;
 - damages or account of profits;
 - destruction of infringing goods;
 - cancellation of invalid trademark registration (where appropriate);
 - destruction of forfeited goods at the expense of the trademark infringer under court supervision; and

- costs, including security for costs where the applicant or objector is not ordinarily resident in East Africa or carrying on business in East Africa.

8. Online issues

Although internet use has clearly permeated the Ugandan business community, the legal infrastructure that would enable greater use of electronic commerce is not yet in place. Most companies have registered domain names but still move with caution with regards to full exploitation of opportunities offered by the internet age.

No notable cases have come before the Commercial Court Division of the High Court, which has shown great enthusiasm in entertaining IP disputes. There is no specific functional dispute settlement mechanism that exists for the Uganda country-code top-level domain, although the Uganda Communications Commission has the statutory mandate to mediate such disputes.