# **Evaluating the Legal Protection of Fashion Brands in the Fashion Industry in Nigeria**

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#### **Abstract**

Fashion law refers to a specialized area that deals with legal issues affecting the fashion industry. Fashion law is an emerging legal specialty that encompasses issues surrounding the life of garment from conception to brand protection. The major issue in the fashion industry is related to Intellectual Property (IP) law. There are various types of intellectual property that fall within the fashion industry and there include: trademarks, patents and industrial designs. Nigerian top and upcoming fashion designers face unique challenges specific to the fashion industry, requiring laws that covers the various types of IP protection. Moreover, the increased availability of counterfeit goods, such as fake designer bags, shoes, dresses and accessories have created new challenges for the fashion industry. The Nigerian fashion industry is a fast growing industry, yet there is no protection and this has posed problems for fashion brands owners. In Nigeria, there is no central body regulating the fashion industries neither are there any governmental policies or laws in that regard. This paper will consider these inherent challenges faced by the fashion designers and brands owners and also provide way forward to strengthen the needed protection in the Nigerian fashion industry.

**Keywords:** Fashion, Intellectual Property, Law, Protection, Brands.

#### 1.0 Introduction

The fashion industry comprises a wide range of activities from the conception of a product to design to manufacture, as well as marketing and selling. Fashion law applies to apparel, foot wears, accessories, etc. Over, the last two decades, the rise of the internet changed the marketing and distribution of products. The introduction of social media created a new world for advertising and distribution, this has played a major role in the rapid rising in popularity of many brands. Social media has also foster cobranding and endorsement opportunities between fashion brands and

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celebrities or other social media personalities, which has the benefit of allowing all parties to draw from larger public audiences.<sup>3</sup>

These major developments and tremendous growth in the Nigerian fashion industry prompted a recognition of fashion law and the need for the law to provide a useful guide on legal issues faced by the designers or other interacting forces in the fashion world. However, Nigeria has no comprehensive and specific legal framework governing the fashion industry. Accordingly, there is no specific legislation protecting the fashion brands, thus, resort is had to the general protection afforded under the existing legal framework of Intellectual Property in Nigeria.

This paper therefore focuses on these inherent problems posed by the lack protection while advocating for a new legislation that will adequately protect these brands as used in the Nigerian fashion industry.

# 2.0 An Overview of the Concept of Fashion Law and Intellectual Property

## 2.1 Fashion Law

Fashion law is a legal field encompassing issues that arise throughout the life of an article of clothing or a fashion accessory. Fundamental issues in fashion law include intellectual property; business and finance, with subcategories ranging from employment and labor law to real estate; international trade and government regulation, including questions of safety and sustainability; dress codes and religious apparel; consume culture; privacy and wearable tech; and civil rights. Fashion law also includes related areas such as textile production, modeling, media, and the cosmetics and perfume industry.

Damilola Alada, 'Needles and Stitches: Understanding the Nigerian Intellectual Property Rights and Fashion Law' <a href="https://www.Mondaq.com/nigeria/trademarks/940912/needles-stitches-understanding-the-nigerian-intellectual-property-rights-and-law">www.Mondaq.com/nigeria/trademarks/940912/needles-stitches-understanding-the-nigerian-intellectual-property-rights-and-law</a> accessed 10 July 2020.

Susan Scafidi, 'Introduction: Fashion Law Triumphant- Designing Success in a New Legal Field' in Navigating Fashion Law: Leading Lawyers on Developing Client Brands in a Changing Market and Monitoring Key Legal Developments (Thomson Reuters 2014) 8.

Ursula Furi-Perry, The Little Book of Fashion Law (America Bar Association 2014) 3-7.

David H. Faux, *The American Bar Association's Legal Guide to Fashion Design* (American Bar Association 2013) 2-12.

Guillermo C. Jimenez and Barbara Kolsun (eds), Fashion Law: A Guide for Designers, Fashion Executives and Attorneys (Fairchild Publications 2014) iii-xii.

Lois F. Herzeca and Howard S. Hogan, Fashion Law and Business: Brands and Retailers (Practicing Law Institute 2013) 56.

Fashion is a massive industry that thrives in a competitive global environment despite minimal legal protections for its creative design. While many people dismiss fashion as trivial and ephemeral, its economic importance and cultural influence are enormous. The fashion industry is a global phenomenon, with an international language understood by millions of people. Up to date, the fashion scene brings more and more fans willing to pay large sums of money to feel and to look good about their appearance and adornments. This increased interest has caused the fashion industry to face challenges that were not common in the past decades. Consequently, it came necessary to set the rules to make this a bigger and more effective business. As a result, fashion law came as brand new legal specialty that involves several issues of intellectual property rights, particularly trademark law and copyright law though it can include patents and trade secrets. Patent and trade secrets become relevant when the fashion company has developed new manufacturing process or method as the fashion industry functions on the basis of collaboration, primarily between designers, manufacturers, merchandisers and retailers from all around the world to deliver to consumers' clothing, footwear and accessories.9

## 2.2 The Concept of Intellectual Property

According to Jeremy Phillips and Alison Firth, <sup>10</sup> intellectual property has both a colloquial and a legal connotation. The first refers to the product of the exercise of the human brain – the property that comes from the intellect, such as ideas, inventions and poems. The other, which is a legal construct, refers to a legal description of the rights which a person enjoys over a product of the mind. But there are other forms of property that also derive from intellectual exertion and therefore included in the generic phrase 'intellectual property'. This refers to a wide range of subjects, including copyright, trademarks, trade secrets, patents and industrial designs. <sup>11</sup> True, some of these subject matters, such as trademarks, are not works of the mind in the same sense as a poem or an artistic work. It has

Abdulrafiu Sofiri Okiri, 'Fashion Law: A Comparative Analysis of Fashion Design Protection in the United State, Europe and Nigeria' <a href="https://www.academia.edu/35480966/FASHION\_LAW">https://www.academia.edu/35480966/FASHION\_LAW</a>
<a href="https://www.academia.edu/35480966/FASHION\_LAW">A COMPARATIVE ANALYSIS OF FASHION\_DESIGN\_PROTECTION\_IN\_THE\_UNIT\_ED\_STATE\_EUROPE\_AND\_NIGERIA?auto=download&ssrv=ss>">accessed 12 June 2020.</a>

Jeremy Phillips & Alison Firth, Introduction to Intellectual Property Law (Butterworth's 1995) 3.

The Convention Established the World Intellectual Property Organization (WIPO) identifies intellectual property to include rights relating to the followings: (1) Literary, artistic and scientific works; (2) Performances of performing artists, phonograms and broadcasts; (3) Inventions in all fields of human endeavor; (4) Scientific discoveries; (5) Industrial designs; (6) Trademarks, service marks, and commercial names and designations; (7) Protection against unfair competition and (8) All other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

nevertheless become fashionable to describe any research results and original ideas, as intellectual property. 12 One common feature of all species of intellectual property is their function in excluding unauthorized persons from encroaching on valuable intellectual assets. This similarity may blur the clear division between these rights. For sake of convenience, intellectual property may be broadly categorized into two heads: industrial property and copyright. There are borderline issues such as right to privacy, right to publicity, protection of traditional and indigenous knowledge, plant breeders rights, etc., which are also treated under the rubric of intellectual property. Industrial Property consists of trade secrets, patents, industrial designs and trademarks. Copyright, on the other hand, is concerned with literary, artistic, musical, etc. Copyright stands apart from the others in its scope and levels of protection. To qualify for copyright protection, a work only needs to be original and not necessarily novel and protection is granted, for a limited duration, without any special procedure. The focus of this work shall be limited to Industrial Property, which will include; industrial designs, patents and trademarks.

## 2.2.1 Industrial Design

Designs have always been used as part of the business of manufacture and is believed to have existed since the 'the production of useful articles engaged the attention of man'. 13 The ornamentation of articles of trade was obviously well known in various cultures in Nigeria. While there has always been a conscious effort to design articles of trade and make their appearance more appealing to the buyer, the origin of design registration is traceable to the earlier period of industrialization and the textile industry. Section 12 of the Patents and Designs Act<sup>14</sup> defines an industrial design is 'any combination of hues or colors or both and any three-dimensional form whether or not associated with colors . . . if it is intended by the creator to be used as a model or pattern to be multiplied by industrial process and is not intended solely to obtain a technical result'. The close connection between industrial designs and works protected under copyright becomes very apparent when one considers that an artistic work may be denied copyright protection on the ground that it is intended for industrial multiplication, therefore qualifying only as an industrial design for which registration may be sought. An industrial design is registrable

According to Cornish: 'As a title, the term [intellectual property] may sound rather grandiloquent. But then, at its most serious, this is a branch of the law which protects some of the finer manifestation of human achievement'. W.R. Cornish, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (Sweet & Maxwell 1996) 3.

Michael Fysh and Russell-Clarke, Copyright in Industrial Designs (Sweet & Maxwell 1974) 1.

Laws of the Federation of Nigeria 2004, Cap. P2.

if<sup>15</sup> (a) it is new; and (b) it is not contrary to public order or morality. The Act vests the right to the registration of an industrial design in the statutory creator, i.e. the person who, whether or not he is the true creator, is the first to file or validly to claim a foreign priority for an application for registration in Nigeria. And by section 14(3), where the essential elements of an application for registration and the filing of the application had been obtained without the consent of the creator, all rights in the application and any consequent registration shall be deemed to be transferred to that other person. Where the statutory creator files for registration, then the true creator is entitled to be named as such in the register and this entitlement may not be modified by contract. <sup>17</sup>

## **2.2.2 Patent**

A patent is a document issued by the sovereign authority, conferring a monopoly right on an inventor for a limited period of time. As a means of promoting technological and industrial development, the monopoly granted through the issuance of a patent is in return for the disclosure of the invention. The term 'patent' derives from the English 'letters patent' or open letter (since the letter granting the right was not sealed but rolled up and open to anyone to read) which was evidence of a royal privilege. It gives the inventor an exclusive right to the use, manufacture and exploitation of the product or industrial process so invented for a period of 20 years. Patents, unlike copyright, are granted for novel ideas capable of industrial application. But like copyright, they have a limited duration. The patent system benefits society by encouraging inventors and companies to invest their time and money in research and development (R & D) activities, which would eventually be disclosed to the public and available to the public for exploitation at the expiration of the patent. This is in addition to the direct benefit that the society derives from the availability of the invented products for use. The patent system provides a rich source of technical information for researchers to know what research had earlier been carried out in the field and therefore reducing the incidence of reinvention and waste of resources. Generally speaking, a patent may either relate to a product (product patent) or to a process (process patent). Section 1(1) of the Patents and Designs Act 18 lays down the four requirements that must be met before an invention can be patentable. This suggests that although, all patents embody inventions, not all inventions

Patents and Designs Act, s 13.

ibid, s 14(1).

ibid, s 14(2)-(3).

Promulgated as the Patent and Designs Decree (No. 60) of 1970. But see now Laws of the Federation of Nigeria 2004, Cap. P2.

are patentable. The first requirement is that an invention, to be patentable, must be one that qualifies for patent protection under the Act. Things in respect of which patents cannot be validly obtained under section 1(4) and (5). Section 1(1) lays down the three basic requirements to be satisfied by every patentable invention. Subject to the limitations imposed under that section, the invention must be: (a) new (novelty); (b) result from inventive activity (inventive step); and (c) capable of industrial application.

On who is entitled to the grant of a patent, Nigeria operates the first to file system, implying that the patent is granted to the person who, whether or not he is the true inventor, is the first to file or validly claim a foreign priority for a patent application. He is therefore known as the statutory inventor since the Act presumes him to be the inventor. Nevertheless, the real inventor is entitled to be named in the patent, irrespective of whether he is also the statutory inventor or not and this right of the real inventor cannot be modified by contract.<sup>22</sup> In the case of inventions that are made in the course of employment, the right to the patent is vested in the employer if:

- (a) the employee's contract of employment does not require him to exercise any inventive activity but he has in making the invention used data or means that his employment has put at his disposal;
- (b) The invention is of exceptional importance, the employee inventor is entitled to fair remuneration, taking into account his salary and the importance of the invention.

## 2.2.3 Trademark

A trade mark is defined under the Trade Marks Act<sup>23</sup> to mean, 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 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 a registered user to use the mark, whether with or without any indication of the identity of that person. In relation to a certification trade mark, a mark registered or deemed to have been registered.<sup>24</sup>

Patents and Designs Act, Cap. P2, Laws of the Federation of Nigeria 2004, s 1(1).

ibid, s l(2)(b).

ibid, s 1(2)(c).

<sup>22</sup> ibid c 2

<sup>&</sup>lt;sup>23</sup> Cap. T13, Laws of the Federation of Nigeria 2004, s 67.

<sup>&</sup>lt;sup>24</sup> ibid, s 43.

The practice of branding goods is well known in many cultures and as trade flourished, the use of signs or symbols for the purpose of distinguishing one trader's goods from those of others also became popular. Names and symbols were placed on products in a manner that made it easy for potential buyers to identify and distinguish the goods of one producer from those of others. This identification function also helped purchasers in associating particular goods with a standard of quality.<sup>25</sup>

For a trade mark to be registered it must have been in use or intended for use in the course of trade and in relation to goods. It may be a heading, label, ticket, name, signature, word, letter, numeral, a device or any combination of these. Whereas a word or letter may qualify as a trade mark, it cannot be the subject of copyright protection. Furthermore, trade mark protection arises primarily from prior registration<sup>26</sup> with the Trade Mark Registry while copyright is conferred automatically. The registration of a trade mark gives the proprietor the exclusive right to the use of that trade mark in relation to the goods in respect of which it has been registered.<sup>27</sup> That right is infringed by any person who, not being the proprietor or a registered user uses the same or resembling mark in a manner that is likely to deceive or cause confusion, in the course of trade. No person may institute proceedings to prevent or to recover damages for the infringement of an unregistered trade mark. This is however subject to the right of a proprietor in common law action of passing off against any person who employs a mark that is confusingly similar. 28 The Act provides for both Part A and Part B registrations: Part A being a stronger right than B. For a trade mark (other than a certification trade mark) to be registrable in Part A of the register, it must contain or consist of at least one of the following essential particulars:

- (a) The name of a company, individual, or firm, represented in a special or particular manner;
- (b) The signature of the applicant for registration or some predecessor in his business;
- (c) An invented word or invented words;
- (d) A word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or a surname;

<sup>&</sup>lt;sup>25</sup> J. O. Asein, Nigeria Copyright and Law Practice (Ababa Press Ltd 2012) 9-10.

Section 3 of the Act makes the fact of registration a precondition for trade mark infringements although this is without prejudice to the common law action of passing off.

<sup>&</sup>lt;sup>27</sup> Trade Marks Act, s 5(1).

<sup>&</sup>lt;sup>28</sup> ibid, s 3.

## (e) Any other distinctive mark.<sup>29</sup>

The law however makes a proviso that a name, signature or word other than such as fall within paragraphs (a) to (d) above, shall not be registrable under paragraph (e), except upon evidence of its distinctiveness. A mark is said to be distinctive if it is adapted to distinguish goods, which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists. Part A registration generally gives a proprietor the exclusive right to use a particular trade mark in relation to goods. The right is deemed to be infringed by any person who, not being the proprietor of the mark (or a registered user of the mark using it as permitted).<sup>30</sup>

Registration of a trade mark in Part B generally gives the proprietor rights similar to those enjoyed by the proprietor of a Part A mark. It is however provided that no injunction or other relief shall be granted to the plaintiff if the defendant establishes to the satisfaction of the court that the use of which the plaintiff complains is not likely to deceive or cause confusion or deception. The law allows for the assignment or licensing of trademarks and any infringement of the rights in the mark is actionable at the instance of the proprietor or one having the rights thereto.

## 3.0 Relevance of Industrial Property to the Fashion Industry

Versace's medusa motif. the Vera Wang wedding dress, Dr. Martens boots, etc. – all these are products of applied intellectual creativity and skill in the fashion industry. No one doubts the tremendous value of intellectual capital to the creation and marketing of products in the fashion industry, be it high fashion or ready-to-wear. Yet many small and mediumsized enterprises pay little attention, if any, to protecting such intellectual assets. In the current business environment, the primary source of competitive advantage for all businesses, including those in the fashion industry, is innovation and original creative expressions. Business managers need to identify such valuable intangible assets in a timely manner, determine their business relevance, and agree on those to be protected and leveraged through the intellectual property system.<sup>32</sup>

Sections 11, 12 and 13 of the Act prohibit the registration of any matter that is likely to be deceptive, confusing, or scandalous; names of chemical substances; identical and resembling trademarks.

Trade Marks Act, s 5.

<sup>&</sup>lt;sup>31</sup> ibid, s 6.

Aisha Amjad, 'IP and Business: Intellectual Property in the Fashion Industry' (May 2005) WIPO Magazine < www.wipo.int/wipo\_magazine/en/2005/03/article\_0009.html> accessed 4 July 2020.

Fashion is the result of human intellect since it is creativity that brings 'novelty' to design. Creativity is not only limited to the act of designing, but also includes the advertising campaign which is put together to achieve the competitive edge required for success. All of this intellectual capital linked to a unique brand becomes the greatest value of a fashion enterprise. However, many businesses do not protect their intellectual property, especially those in the fashion industry. There are many factors that influence why designers protect their intellectual property, but perhaps the key factors are that fashion is constantly changing and designs tend to lose their value quite rapidly. Also important is the cyclicality of fashion, with styles, models, colours, prints and other elements often making a comeback and serving as inspiration for new collections and creations. When we think about protecting intellectual property in the fashion world, one question may arise: What exactly can I protect? In the fashion industry there are endless creations that can be protected and we will address each of them next. Any product or service will always be identified with a name and/or logo in order to distinguish it from other similar products on the market. Designs are not the exception, as they will always bear a label distinguishing them from other creations. These names and/or logos are what we record as Trademarks, and depending on the type of design (clothing, shoes, accessories, fabrics, etc.), the number of classes in which that distinguishing trademark will be recorded will increase as well. Even the slogans of advertising campaigns for each product can be protected through trademark registration. Furthermore, in many countries, scents can also be trademarked. Therefore, perfumes, fragrances and other aromatic products that play an important role within the world of fashion can also gain intellectual property protection. Any three-dimensional design, such as a purse, garment, or accessory, can obtain intellectual property protection by being registered as an Industrial Model. Designs printed on fabrics can also be protected, not as an Industrial Model as there is no three-dimensional shape, but as an industrial design because of the combination of images, lines or colours that are incorporated into an industrial product for decoration purposes. Invention Patents protect new technologies that are incorporated into products. Some examples of Invention Patents include the technology used to manufacture shoes, wrinkle-free fabrics, UV-filtering textiles that are resistant to fire and water-repelling textiles. Trademarks, in addition to Patents and Industrial Designs, must be innovative in order to be entitled to intellectual property protection.

This protection bestows certain rights, such as excluding third parties from operating the brand, model or drawing, as well as allowing actions brought

against any person who, without the consent of the owner, produces, sells, uses, imports or stores them.<sup>33</sup>

In the ever-evolving industry of fashion, creative expression must be protected through intellectual property rights. The value of each industrial design asset and the brand that markets that asset are intellectual capital that strengthens a business position within the fashion industry. When considering intellectual property within the fashion industry, the most notable challenge is handling the protection of numerous designs on a seasonal basis. This includes the protection of the industrial design for each item as well as searching for and creating relevant and captivating names for each design.<sup>34</sup>

## 3.1 Relevance of Industrial Design

At the heart of fashion are fresh, new designs. Among the range of intellectual property tools, the protection of industrial designs - also simply referred to as designs – is the most clearly relevant to the fashion industry. Registration of a design helps the owner to prevent all others from exploiting its new or original ornamental or aesthetic aspects, which may relate to a three-dimensional feature, such as the shape of a hat, or a two-dimensional feature, such as a textile print. The fashion industry invests huge sums to create new and original designs each season. Despite this significant investment, little use is made of relevant national and/or regional design law to register and protect these designs. In some countries, fashion designs may be adequately protected by copyright law as works of applied art. However, a frequently cited explanation for not registering fashion designs is that the short product life cycle – often no more than one six-to-twelve month, season - does not justify the considerable time and financial cost involved. The arguments for registering a new design have to be considered on a case-by-case basis. Registering a design should help to deter others from copying it, and to fight unscrupulous competitors who do so.<sup>35</sup>

Design copying is widely accepted, occasionally complained about, but more often celebrated as 'homage' rather than attacked as 'piracy'. Why are the norms about copying in the fashion industry seemingly so different from those in other creative industries like in the film, music, software and

Mossack Fonseca & Co, 'Intellectual Property and the Fashion Industry' < www.lexology.com/library/detail.aspx?g=6c596a24-e79b-4d39-a73f-9837529d9a78> accessed 4 July 2020.

Brandstock, 'Intellectual Property in the Fashion Industry' < <a href="www.brandstock.com/intellectual-property-in-the-fashion-industry#:~:text=In%20the%20ever%2Devolving%20industry.position%20within%20 the%20fashion%20industry>accessed 4 July 2020.">www.brandstock.com/intellectual-property-in-the-fashion-industry#:~:text=In%20the%20ever%2Devolving%20industry.position%20within%20 the%20fashion%20industry>accessed 4 July 2020.</a>

<sup>&</sup>lt;sup>35</sup> Amjad (n 32).

publishing industries? When other major content industries have obtained (and made use of) increasingly powerful intellectual property protections for their products, why does fashion design remain mostly unprotected?<sup>36</sup>

The ownership of an industrial design is vested in the statutory creature i.e. the first person that files an application for the registration of the design; statutory creator is different from true creator.<sup>37</sup> The employer of an employee who creates a design is the first owner of the design if created in the course of employment. The rights conferred on the design owner are valid for a period of 5 years from the date of application for registration. These rights can be renewed upon payment of a prescribed fee for two consecutive periods of 5 years each.<sup>38</sup> Infringement under the Act means to, reproduce the design in the manufactured product, importing, selling or utilising for commercial purposes.<sup>39</sup>

So an infringement can be established by showing the following facts:

- i) Existence of copyright in design.
- ii) Fraudulent imitation applied by somebody.
- iii) The fraudulent imitation applied without license or written consent of the registered proprietor.
- iv) Application of design has been made for the purpose of sale of the article.

Any person who does any of the acts exclusively reserved for the design owner without consent or license of the owner is said to have infringed the rights of the owner and shall be liable for damages, injunction, and account. There is no provision for criminal proceedings against piracy of design. The shape of a handbag for example, can be protected as an industrial design. The fashion industry invests huge sums to create new and original designs each season, despite this significant investment, little use is made of the relevant design laws to register and protect these designs beyond the name of the brand. The main benefit of registering a design is to deter others from copying the design, and to fight unscrupulous competitors or even infringers from copying the design of the protected article. Despite the fact that some designs are only created for one season and are not meant to be long term, designers need to be

Indian Institute of Patent and Trademark Attorney, 'Role of IP in Fashion Industry'
<a href="https://www.iipta.com/new-trend-season-role-ip-fashion-industry/">www.iipta.com/new-trend-season-role-ip-fashion-industry/</a>> accessed 6 July 2020.

<sup>37</sup> ibid

Patent and Design Act, s 20(1).

<sup>&</sup>lt;sup>39</sup> ibid, s 19(1).

ibid, s 25(1) (2).

aware of the fact that in the longer term a failure to protect their designs, and other intellectual property, from unauthorised copies and cheaper knock-offs damages the brand. To this end, design protection is an essential step to take. It is important to protect a product design using appropriate legal vehicles in a strategic manner.<sup>41</sup>

## 3.2 Relevance of Patent

Patents may not immediately spring to mind when considering the fashion industry. Artistic creations cannot be patented and therefore patents are not widely adopted by designers. Yet technical innovation can equally put a fashion business ahead of the competition. For example, inventions by Buck Weimer and CSIRO<sup>42</sup> which control odour and body temperature respectively in garments have been successfully patented. Another example can be Novozymes, a Danish biotech company specializing in enzymes and micro-organism, pioneered the use of enzymes in the treatment of fabrics. Though not previously involved in the fashion industry, in 1987 the company developed and patented a technology for the treatment of 'stone washed' denim jeans. This technology is based on an enzyme called cellulase, which removes some of the indigo dye from denim so as to give the fabric a worn look. Within three years, most of the denim finishing industry was using cellulase under license from Novozymes. Today, Novozymes' technology for improving production methods and fabric finishing has been licensed worldwide. The company holds more than 4,200 active patents and patent applications.<sup>43</sup>

A Design cannot be patented for the below reasons: There are requirements for securing a patent in any jurisdiction is:

- 1) The invention must be novel.
- 2) The invention must be non-obvious.
- 3) The invention must have industrial application.

To be novel, an invention cannot be known or used by others anywhere in the world, or patented in another country, prior to filing for patent protection. The standard for determining non-obviousness is whether the invention would 'have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains'. Because so many apparel designs are reworking and are not

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Ahlam Al Tamimi, 'Intellectual Property is an Enormous Asset in the Fashion Industry' (27 July 2016) <a href="https://www.thefashionlaw.com/intellectual-property-is-an-enormous-asset-in-the-high-fashion-industry/">https://www.thefashionlaw.com/intellectual-property-is-an-enormous-asset-in-the-high-fashion-industry/</a> accessed 6 July 2020.

<sup>42</sup> Commonwealth Scientific and Industrial Research Organization.

ibid

'new' in the sense that the patent law requires, it is unlikely that new fashion designs will be novel or non-obvious enough to meet the statutory qualifications for patent protection.<sup>44</sup> Unlike copyright protection, patent protection is available for useful articles.

## 3.2.1 Utility Patents

Protect previously undiscovered utilitarian process and devises. Fashion related utility patents include the modern zipper (which is now in the public domain), newly developed textiles, and novel chemical formulas. Business method patents are also fashion related utility patents; however, it is not easy to predict with accuracy whether a business method patent will be upheld.

## 3.2.2 A Design Patent

Protects non-functional, original, ornamental designs for manufactured articles. The article may be useful in nature, but if the design is dictated by the function of the object, then a design patent is unavailable. Examples of design patents in fashion include: the design for Crocs, Lulu lemon's designs for certain sports bras, and other ornamental designs in footwear, sportswear, and accessories.

Patent protection is the most expensive of intellectual property protection, and will take at least a few years to complete. The expense and time required to secure patent protection, renders it unavailable to designs that are too trendy or have a short shelf life. Think about it, what use is a patent to a design if the product is no longer selling on the market? You would have wasted thousands of dollars. You should consider whether you will use similar techniques and designs year after year, before considering patent protection. <sup>45</sup> Seeking protection under the Patents and Design Act is not the most practical option. Anyone who has tried to get a patent can attest that the process can be lengthy and expensive. Digital technology has made it possible for knock-offs to reach the market much faster than the original so that while original creators are battling for protection under the Patents and Design Act, the copycats would have flooded the market with their copies and reaped the benefits of the design. Fashion is too fast-paced for protection under that regime. The fashion industry needs its own

<sup>44</sup> ibid

<sup>45</sup> A. Brizuela, 'Protect Fashion Design with Intellectual Property Law' (21 April 2015) <a href="www.linkedin.com/pulse/protecting-fashion-designs-intellectual-property-law-andrea-brizuela">www.linkedin.com/pulse/protecting-fashion-designs-intellectual-property-law-andrea-brizuela</a> accessed 30 June 2020.

regime and some jurisdictions recognise that and have taken necessary action.<sup>46</sup>

## 3.3 Relevance of Trademark

Trademarks are the most helpful for emerging designers, and should be considered a priority, considering the likely unavailability of copyright protection and the difficulty/expense in securing patent registrations. A fashion designer with no trademark, copyright or patent protection, risks third parties copying a particular accessory or apparel with no legal recourse.<sup>47</sup>

Big fashion houses value their brand equity. Most develop a bond with their customers through their brand names and fiercely protect these through registration of trademarks and protection of associated artwork by copyright law. Trademarks are just as important for a small or start-up company in the fashion industry. The Italian clothes company, Pickwick, offers an interesting example of the strategic use of a trademark to build a successful business in the fashion industry. Pickwick now sells a range of casual fashion wear to adolescents across Europe. But not so long ago, all that the company had was the trademark itself, which depicted a young, faceless boy with a spiky hairstyle. The trademark owner started his business by selecting items he judged would have particular style appeal to teenagers, adding his distinctive trademark and distributing them through the local shops in Rome. Teenagers perceive the Pickwick logo as trendy and are willing to pay extra for clothes bearing its trademark. Today, the company subcontracts the manufacturing and focuses on marketing, distribution and monitoring and controlling the use of the trademark.<sup>48</sup>

The main purpose of a trademark is to designate the source of goods or services. Trademark law gives fashion designers an incentive to invest in their brand and sell high-quality goods by providing security under the law. Trademark law will keep others from stealing your consumer goodwill and prevent confusion amongst consumers as to the true source of goods. Fashion-related trademarks include: NIKE, TOMS, H&M, 49 and any slogans or logos that these companies use (e.g., the 'JUST DO IT' slogan or the Nike 'swoosh' logo). When you think about fashion and what makes this particular dress or this particular jacket more valuable over others, the answer is often the brand – the source of the good, rather than

Design Piracy Prohibition Bill and Innovative Design Protection Act of 2012 (hereinafter simply known as the 'Fashion Bill').

<sup>47</sup> ibid

<sup>48</sup> ibid

<sup>49</sup> Hennes & Mauritz.

the intrinsic value in the design itself. Fashion companies invest significant money and effort into creating a certain cachet in their brand name to which consumers are drawn to; whether it promises status, quality, or sustainability. Trademark law attempts to prevent anyone else from 'freeriding' on this allure that you've built through hard work and with great expense. Trade Marks Designers can use trade mark law to protect not only logos and brand names, but also other distinct features of a product. For example, Bettina Liano has registered the distinctive pocket stitching on her garments as a trade mark, while British fashion house Burberry holds trade mark rights in both the trade mark 'Burberry' and the Burberry check pattern. Burberry has enforced its trade marks in many jurisdictions against counterfeits including a recent action in the US District Court. 51

## 3.3.1 Trade Dress

Under trademark law, you can also obtain a 'trade dress' for product packaging or product design. A trade dress for product packaging includes the boxes in which shoes are sold or the bags in which garments are sold. Examples of trade dress for product designs include the Dallas Cowboys cheerleader uniforms and the Louboutin red sole in contract with the rest of the shoe. The reason for protection is that the design of the apparel itself is so connected to the source in the minds of the consumers that it serves a source designating function. Keep in mind, however, that a trade dress for product design is harder to obtain, and a designer should consult a lawyer before beginning this process.<sup>52</sup>

## 3.3.2 Registration of Trade Dresses

It is permitted during registration to limit the subsequent use of a trademark, in whole or in part, to one or more specified colours.<sup>53</sup> In practice most applicants register their trademarks without limitation of colour. This enables them obtain the benefits of section 16(1) of the Trademark Act which provides that where a trademark is registered without limitation of colour, it shall be taken to be registered for all colours. Although the Act permits a limitation as to colours, applicants are not permitted an exclusive appropriation of colours. Where a trademark purposed to be registered consists of a single colour without more, the application will be refused. Where the trademark consists of a mark in addition to, or superimposed on a coloured background, the application for

<sup>50</sup> ibid

<sup>51</sup> ibid

<sup>52</sup> ibid

Trade Marks Act, s 16.

registration of the mark must state that application for registration is in respect of the mark and its 'device'. Failing this, the registration will be deemed limited to the mark, and the accompanying device will not be protected for its non-inclusion in the application for registration. However, if the accompanying 'device' is merely a single colour without any interposing design, the application is accepted subject to, an express disclaimer by the applicant that it concedes a non-exclusive use of the accompanying colour. The refusal by the registry to grant an exclusive use of single colours is founded on the position that colours without more lie in the public domain, and may not be appropriated by a single proprietor for its exclusive use.

Even where an applicant seeks to produce evidence of secondary meaning of the colour, the Registrar invariably rules against granting registration of single colours. Where however, an application consists of a combination of colours, either alone or in addition to any other mark, arranged in such a manner as to be distinctive, it may be accepted for registration. Where the combination or colours sought to be registered stands alone, the application for registration is valid if it sufficiently identifies the combination of colours as the trademark sought to be registered.

## 3.3.3 Protection of Registered Trade Dress

If the combination of colours is in addition to any other mark or representation, the combination of colours is normally identified and registered as the accompanying 'device'. Upon completion of the registration, the proprietor is entitled to legal protection of its exclusive use of the combination of colours registered. If it is registered as a device, the device may be used alone or in addition to the accompanying registered representation. Where therefore, a proprietor desires to use a design or get up as a trade dress, he must seek and obtain a registration of the get up sought to be used in order to obtain legal protection of its use. Where the trade dress is properly registered as a get up or device, the proprietor is entitled to maintain an action in statutory passing off of the registered trade dress in addition to the action for infringement of the registered trademark. Where the trademark and trade dress are registered, the cause of action in passing off is a statutory cause of action independent of the common law action in passing off, and the proper forum for the trial of the case is the Federal High Court, Ayman Enterprises Ltd v Akuma Industries Ltd.<sup>54</sup> Section 3 of the Trademarks Act provides that no person shall be entitled to institute any proceeding to prevent, or to recover damages, for the infringement of an unregistered trademark.

<sup>&</sup>lt;sup>54</sup> [2003] FWLR pt 166, p 563.

## 3.3.4 Protection of Unregistered Trade Dress

Where the trade dress is not registered, the proprietor will be unable to obtain legal protection under the Trademarks Act for its infringement. The present controlling authority is the case of Ferodo Ltd v Ibeto Industries Ltd.<sup>55</sup> The appellant's trademark 'Ferodo' was used for marketing automobile brake pads and linings. The representation that accompanied the appellant's application for registration gave the name of the trademark as 'Ferodo'. The representation was a red rectangle, at the upper end of which was a smaller black rectangle, inside which the name 'Ferodo' was printed in white and the lower end of which said red rectangle ran a black and white chequered strip. The application for registration did not specify that registration was sought for the accompanying device or design. Registration was granted for the trademark 'Ferodo'. The trade dress of the appellant's goods comprised the word 'Ferodo' and all the garnishing contained in the representation. The respondent introduced into the marked its own brand of brake pads and linings, which it marketed under the trademark 'Union'. The appellant contended that the trade dress of the respondent's 'Union' was similar to the trade dress of its 'Ferodo'. The appellant sued for statutory infringement and passing off for the respondent's purported infringement of its registered trademark. The Court of Appeal held that what the appellant registered was 'Ferodo', and that where the proprietors decided to garnish a trademark with other colourations and devices which make it appealing and decorative, it cannot be assumed that the fanciful and ornamental characters which colour the package form part of the trademark. In the absence of registration the alleged use of the trade dress by the appellant was held by the Court not to give them monopoly over the use of red cardboard paper. The action failed.

In the absence of registration of a trade dress, a statutory action for infringement or statutory passing off cannot be sustained. This however does not preclude a common law action for passing off. Common law, equity and statutes of general application in force in England on January 1, 1900 are applicable in Nigerian. This is through the instrumentality of various reception laws. The High Court Laws of a typical state in Nigeria contain a provision that the High Court shall in addition to any other jurisdiction conferred by the Constitution of the Federation or by any other enactment, possess and exercise all the jurisdiction, powers and authorities which are vested in or capable of being exercised by the High Court of Justice in England.<sup>56</sup> Where there is a passing off of an unregistered

<sup>&</sup>lt;sup>55</sup> [1999] 2 NWLR pt 592, p 509.

trademark, get up or trade dress, the remedy lies solely in a common law action in passing off, *Ayman Enterprises Ltd v Akuma Industries Ltd.*<sup>57</sup> The High Courts of the States have a general constitutional jurisdiction to hear and determine any civil proceedings in which the existence or extent of any legal right, power, duty, liability, privilege, interest, obligation or claim is in issue.<sup>58</sup> Where the cause of action for passing off is in common law for tort, the proper forum for the action is the High Court of the state in respect of which the cause of action arose. Beyond this, and other than this, there is no other remedy under Nigerian law for the infringement of an unregistered trade dress.

Some countries and regions, such as the United Kingdom and the European Union (EU), offer an unregistered form of protection for industrial designs for a relatively short period of time. Unregistered design protection, wherever available, is extremely useful for fashion designers or businesses with limited budgets and for all those that wish to test market new designs before deciding which to register. The unregistered community design right of the EU offers protection for a maximum period of three years, starting from the date on which the design is first made available to the public in any of the 25 countries of the EU. 59

## 3.3.5 Trade Secrets

Trade secret protection can theoretically last forever, which makes it unlike any area of intellectual property law. It can last forever or at least for as long as a business entity takes the necessary protective measures. The advice of a local attorney is crucial in this area because trade secret law varies state by state. In general, however, in order for information to be considered a trade secret it cannot be known outside of your business, the secret must have economic value, and you must take reasonable measures to maintain its secrecy. Reasonable measures can include the use of Nondisclosure Agreements, limiting who has access to valuable information, and instituting a strict 'no pitch' policy. In other words, the law will help you protect that which you take steps to protect yourself. Designers in the fashion industry might find trade secret protection useful for protecting design and manufacturing processes, defending against certain types of counterfeiting, and protecting valuable business practices.

This provision is contained in section 10 of the High Court Law of Lagos state, and is fairly representative of the High Court Laws of the other states of the Federation.

<sup>&</sup>lt;sup>57</sup> ibid (n 54).

<sup>&</sup>lt;sup>58</sup> Constitution of the Federal Republic of Nigeria 1999, s 272(1).

<sup>59</sup> ibid

Trade secrets may range from a list of key suppliers and/or buyers, to use of software tools for fashion design, to logistics management of the entire value chain. In some fashion businesses, core trade secrets serve to protect the computer-implemented, software-based business models, which underpin an entire business strategy, based on stealth and speed, to supply a limited quantity of fashion products.

For example, the Spanish retail fashion chain, ZARA, uses a proprietary information technology (IT) system to shorten their production cycle -i.e. the time from identifying a new trend to delivering the finished product – to a mere 30 days. Most of their competitors take from 4 to 12 months. The company receives daily streams of e-mail from store managers signalling new trends, fabrics and cuts, from which its designers quickly prepare new styles. The fabric selected is immediately cut in an automated facility, and sent to work shops. A high-tech distribution system, with some 200 kilometres of underground traces and over 400 chutes, ensures that the finished items are shipped and arrive in stores within 48 hours. Other fashion houses use IT to make customized products in response to customer's example, Shirtsdotnet individual request. For (www.shirtsdotnet.com) aims to reshape the traditional clothing industry by reversing the process of decision making and following the made-toorder business model. Shirtsdotnet is a Business to Business clothing software platform provider, offering made-to-measure, mass customization clothing solutions for mail order companies. Customers can design and order apparel directly from the virtual shop. The business relies on proprietary software, which is protected as a trade secret and by copyright law.<sup>60</sup>

The above examples show that the strategic use of new information technology, protected by the tools of the intellectual property system, can play a critical role in establishing and consolidating a market position. This is especially true in an industry such as fashion, which is driven by creativity and by the intellectual capital invested in it. Protecting that intellectual capital in the form of intellectual property assets serves to boost income through sale, licensing, and commercialization of differentiated new products, to improve market share, raise profit margins, and to reduce the risk of trampling over the intellectual property rights of others. Good management of intellectual property assets in a business or marketing plan helps to enhance the value of an enterprise in the eyes of investors and financing institutions.

# 4.0 Problem of Intellectual Property Protection in Nigerian Fashion Industry

Fashion is a global business and Intellectual Property rights extend into the international trading system through various international treaties. It is vital for fashion enterprises to obtain sound legal advice at an early stage in order to appropriately protect their creativity through Intellectual Property rights, and be able to realize their commercial potential.<sup>61</sup>

Nigeria, Lagos in particular like London, Milan, New York and Paris, is a fashion hub. With brands like Heineken and Guaranty Trust Bank, and the Bank of Industry putting their weight behind the fashion industry. There is no doubt that beyond making us a fashionable people, the fashion industry cannot be ignored as a vehicle for driving economic development but fashion does not enjoy the same level of protection with other creative industry. The intuitive position is that fashion design should be protected just like any other creative area, but it is not so. 62

The Nigerian Fashion Industry has experienced tremendous growth since professional and focused practitioners entered and began to make their mark more than two decades ago. Unquestionably, clothing, handbags, prints, and shoe designers (Designers) in Nigeria through sheer determination with little input from the government have grown the Nigeria Fashion Industry to a globally- reckoned with force. Nigerian fashion brands are now being showcased in reputable events all over the world and gaining international acclaim; furthermore, they have a trove of international awards to show for it.

The Nigeria Fashion Industry has the potential of becoming one of the main drivers of our economy in the not too distant future; especially given Federal Government plans to increase Nigeria's non-oil export. With the FG having recently made Creative Industry eligible for Pioneer Status Incentive (a tax holiday of up to five years) the industry outlook is extremely positive and tremendous growth is realisable in the coming years.

To spur growth of the industry, Fashion Practitioners (fashion designers, handbags designers, print designers, shoe designers, fashion executives, fashion houses, distributors, manufacturers, modelling agencies, retailers

K Agary, 'Intellectual Property Protection in the Fashion Industry' (30 October 2016) <a href="www.google.com/amp/punchng.com/intellectual-property-protection-fashion-industry/amp/">www.google.com/amp/punchng.com/intellectual-property-protection-fashion-industry/amp/</a> accessed 12 July 2020.

Ademola Adeyoju, 'Trademarks and the Fashion Industry <a href="https://www.nigerialawtoday.com/trademarks-and-the-fashion-industry/">www.nigerialawtoday.com/trademarks-and-the-fashion-industry/</a> accessed 12 July 2020.

and photographers etc.), need to firmly address some lingering legal issues. Some of these include: intellectual property theft, sales promotion issues, distribution challenges, licensing etc. This chapter seeks to create awareness and highlight some of the salient legal rights, and means of protecting/enforcing these rights around these stay awake NFI issues.<sup>63</sup>

## 4.1 Fundamental Legal Problems of the Nigerian Fashion Industry

## **❖** Intellectual Property Right (IPR)

Intellectual Property (IP) in the Nigeria Fashion Industry bothers mostly on Trademark and Designs protection. Designers in Nigeria face a complex landscape when it comes to protecting their Intellectual Property rights. Nevertheless, in order to successfully seek legal redress for infringement of an IPR, the Intellectual Property must be registered at the Trademarks Patents and Designs Registry. Intellectual Property registration is jurisdictional. However, the World Intellectual Property Organisation (WIPO) recognises international registration for member states (Nigeria is a member), this means a registered Intellectual Property will be recognised in any of its member states and will take priority over other applications. The problem now is that most fashion designers in Nigeria do not know about this and their rights, the ones who do are either unbothered or lack the courage to get their designs registered.

## a. Trademark

According to the Nigeria Trademark Act, a trademark is a recognisable devise, brand, heading, label, ticket, name, signature, word letter, numeral or a combination of these marks used in relation to goods for the purpose of identifying the goods and some person having the right to use the mark. A trademark becomes registrable where it does not conflict with an existing mark. In *Virgin Enterprise Ltd v Richday Beverage Nigeria Ltd*, 65 the Court of Appeal (CA) stated that the defendant's mark 'Virgin Table Water' was capable of ordinarily confusing an average man into believing it was a product of Virgin Enterprise Ltd- the Plaintiff's. Accordingly, section 4 Nigeria Trademark Act provides that all trademarks must be registered and such registration confers on the Designer exclusive control over the use of the mark covered by it and he can sue for its infringement. This position was illustrated in *Christian Louboutin S.A. v Yves Saint* 

Titilade Adelekun, 'Increasing Brand Optimality in the Fashion Industry: Commercial and Legal Issues' BusinessDay (Lagos, 8 February 2018) <a href="https://businessday.ng/legal-business/article/increasing-brand-optimality-fashion-industry-commercial-legal-issues/">https://businessday.ng/legal-business/article/increasing-brand-optimality-fashion-industry-commercial-legal-issues/</a> accessed 12 July 2020.

Patents and Designs Act (PDA), s 27(3). Cap. P2 LFN 2004.

<sup>65 52</sup> NIPDJ (CA. 2009) 550/2005.

Laurent Am. Holding, Inc., 66 where on appeal, the Second Circuit CA held that the 'Louboutin Red Sole' trademark was valid and enforceable, but to only those situations in which the red lacquered outsole contrasts in colour with the adjoining 'upper' of the shoe.

An unregistered mark on the other hand, prevents a Designer from instituting an action in court for infringement of his trademark, but could successfully bring an action in passing-off of goods. <sup>67</sup> As a Designer, trademark registration is imperative for the prevention of trademark theft. More so, it increases international recognition of a Designer's brand, whilst allowing the proprietor to obtain remedies such as damages, prohibition, delivery up etc. for infringement.

## b. Designs

A registrable design is based on the novelty and originality of a design, however not all designs are registrable (or even expedient from a cost benefits perspective); a Designer should rather focus on ground breaking or revolutionary designs that can prove a Designer's novelty. Upon registration the proprietary rights conferred on a Designer protects unique, conceptual designs and their over lapping interests. According to section 12 Patent and Design Act, a design is: 'any combination of lines or colours or both, and any three-dimensional form, whether or not associated with colours...' and it can only be registered by the statutory creator of the design – section 14 Patent and Design Act.

The law seeks to protect brand owners and Designers from undue infringements. Thus, copying or making offshoot or knock -off versions of a Designer's work without the owner's consent would attract compensation. The High Court of Düsseldorf, Germany, upheld this position in the on-going matter between *Puma SE v Topshop*, <sup>68</sup> where Puma successfully sought a preliminary injunction from the court to stop Topshop from selling their knock-offs of the Puma by Rihanna, models creeper, fur slide and bow slides. According to Puma, Topshop was trading off the established good will of the named brand.

Based on the forgoing, Designers are advised to register novel designs, for protection from infringement and the right to seek legal action.<sup>69</sup>

<sup>&</sup>lt;sup>66</sup> No. 11-3303 (2d Cir. 2013).

Nigeria Trademark Act, s 3.

<sup>&</sup>lt;sup>68</sup> INC, 2:17-CV-02 523(C.D. Cal).

<sup>69</sup> ibid

## Sales Promotion

As budding businesses envision growth and expansion, business risk also increases. However, the business owner must put in place legal and business strategies to mitigate such risks. One of the ways business growth and brand expansion is envisioned is through Retail Sale (RS) outlets.

RS can be described as a license right given to a Retail Store (RST) to sell goods on behalf of a manufacturer for a specified period of time. Retail selling may seem relatively new in Nigeria unlike the UK and US with stores such as: Nordstrom, Macy's, Dillards etc. who sell on behalf of famous brands like Calvin Klein, Jimmy Choo, Tommy Hilfiger etc. The importance of RS in the industry cannot be over emphasised. It helps in the expansion of a Designer's business, it increases the popularity and local credibility of a designer, some consumers prefer to patronise stores that are unique and a part of their community and it makes purchasing goods convenient where stores are located close to consumers etc.

To spur the Nigeria Fashion Industry growth, Designers in Nigeria need to collaborate with independent stores through a RS licence agreement permitting a RST to sell their designs. Such licence must however contain provisions like proprietary rights, period of license, royalty payments duties of the RST, non-compete clause, advertising restrictions etc. to ensure that the interests of Designers are protected.<sup>70</sup>

## **❖** Contractual Matters

Contracts identify rights, intentions, duties, expectations, as well as define party's responsibilities in any engagement. More so, it contains liabilities in the event of non-compliance with its provisions. Nonetheless, some contracts are poorly negotiated due to lack of full appreciation of the commercial points in the contract, and their legal implications.

Some contracts needing emphasis in the Nigeria Fashion Industry include: Fashion Designer Contract (FDC): This is an agreement between a fashion show organiser and the Designer. Normally one-sided contracts or standard forms are usually used to express rights and duties of parties, still parties might be left dissatisfied with the outcome – FDC should ideally protect the interest of both parties. Terms of an FDC must state, amongst others: the minimum and maximum number of fashion models provided or allowed, provision of makeup artists, types of models needed and provided, rehearsal days, booth provision, photography matters, etc. This

<sup>70</sup> 

is because a breach of any of the agreed terms in writing is a breach of contract and punishable by law.<sup>71</sup>

Another one is a Celebrity Endorsement Agreement (CEA). This involves a Designer making use of a celebrity's name, likeness, and reputation for the promotion of his or her brand. This could be by, designing the celebrity's wardrobe for a movie role, television series, marketing events, red carpet interviews, award shows, etc. This arrangement is becoming commonly used in Nigeria. A CEA protects the Designer whilst ensuring that the model or celebrity keeps to his side of the bargain. An example of this occurred where pictures of Charlize Theron surfaced in the media at a number of societal events wearing a Dior watch in breach of her exclusive contract with Raymond Weil a Swiss watchmaker. Some of the CEA terms must include: exclusivity obligations, specific termination rights, mitigation measures, intellectual property rights etc. If the agreed terms are not documented, there are chances that the terms might be breached or even misinterpreted and this can lead to conflict. Hence, the need to have documented transactions cannot be over emphasized.<sup>72</sup>

In the same vein, under a Distribution Agreement (DA), a Designer grants a distributor an exclusive or non-exclusive right, to buy, sell and promote its products in a defined geographical area. This agreement is not commonly used in Nigeria for fashion related arrangements; however it is important to note that DA guarantees a well-run distribution network and enhances expansion of a Designer's market. For instance, Luxottica Group is licensed to distribute CHANEL worldwide and Michael Kors (MK) Hong Kong (HK) is licensed by MK New York, to distribute MK in the whole of HK. Some DA terms must include: basis of appointment, the geographical area, duties of distributor and supplier, purchase price, termination, etc.

## 5.0 Conclusion

The Nigeria fashion design industry may be able to effectively use the IP system to capture value, enhance the protection and commercialization of its designs, and stimulate long-term competitiveness with the adoption of a clear strategy and a set of holistic policy considerations, there are significant challenges that need to be tackled in order to ensure the sustainable development of the industry. The Nigerian fashion industry requires the conditions and support that are necessary to take advantage of

<sup>71</sup> Adelekun (n 63).

the many opportunities, including the advantages that the IP system presents.

In this regard, it is important to conduct a more detailed analysis of the challenges and opportunities faced by the fashion industries in Nigerian and outline a range of initiatives for the short and long term. The objective of the short-term initiatives is principally to address the general lack of awareness of IP rights in the Nigerian fashion design industry and to provide a practical demonstration of the value-capturing possibilities that the IP system presents for the industry. The long-term initiatives should consist of a strategy to create the conditions that would be conducive to the Nigerian fashion industry to seize the current and future opportunities for sustainable growth.

Nigeria's fashion designs have great potential to compete in the global fashion industry. It therefore becomes important to appreciate how the IP system operates beyond the continent's borders, particularly within key export markets. Fashion is a global business and IP rights extend into the international trading system through various international treaties.

It is vital for fashion enterprises to obtain sound legal advice at an early stage in order to appropriately protect their creativity through IP rights, and be able to realize their commercial potential. Fashion SMEs need to develop an IP strategy and incorporate it into their overall business strategy.

This paper therefore advocates for the following, among others as a way forward in ensuring the protection of brands, designs, labels, etc in the Nigerian fashion industry; the enactment of new legislation to provide proper protection for fashion designers in Nigerian fashion industry. Also, that National IP Offices should be continually strengthened in order to establish effective synergies with various Ministries and government agencies, such as the Ministries of Trade and Industry and Culture and Tourism, in formulating national policies that incorporates the fashion design industry. Again, government incentives such as preferential credit schemes to empower upcoming fashion designers in the fashion industry by incentivizing the registration of their IP rights as a form of collateral.

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