ARIPPO countries
infringement of unregistered well-known marks

Background

An Irish company is a leading producer of a famous brand of whisky that is well known in most parts of the world, including Africa. In Africa, it has trade mark registrations that cover Botswana, Ghana, Namibia and Zambia, through the Madrid Protocol. It also has national registrations for the same trade mark directly through the national intellectual property offices in Malawi, South Africa, Tanzania and Zimbabwe. The company's African supply network is supported mainly by its state-of-the-art brewery, which is in Durban, South Africa.

It came to the Irish company's attention through a trade mark watching service that an Indian company had applied to register a similar trade mark in some ARIPO countries for a competing brand of whisky. The ARIPO states that were designated in the application were Eswatini, Lesotho, Malawi, Mozambique, São Tomé and Príncipe, Tanzania and Zimbabwe.

In addition, the Indian company was already selling its brand of whisky in Eswatini, Lesotho and Mozambique. Although the Irish company did not have trade mark registrations in these countries, its whisky brand was well known. 65% of the company's average annual sales in Africa in the last 3 years originated from these three countries. As a result, the Irish company regarded Eswatini, Lesotho and Mozambique as being of significant economic interest but had simply relied on the well-known status of their trade marks without anticipating an immediate threat of infringement in these countries.

Action undertaken

The Irish company filed an opposition against the infringing ARIPO trade mark application for all designations except São Tomé and Príncipe, where the company had no current business interest.

The matter was resolved by settlement. However, the settlement negotiations were expensive and took almost a year. During that time, the Irish company lost a significant market share of its business in Eswatini, Lesotho and Mozambique to the Indian company. The Irish company had to pay a significant amount of money to the Indian company for it to withdraw its ARIPO application for these territories.

In the end, the Irish company succeeded in defending its territorial rights in Eswatini, Lesotho, and Mozambique. It then registered trade marks for its whisky brand in these territories.
Lessons learned

• Trade mark registrations are important in Africa even for well-known marks. Fame alone will not guarantee protection from competitors.

• It is important to adopt a protection strategy for Africa that aligns with your business strategy. In this case, it was necessary to have secured trade mark registrations in the African countries that the Irish company considered to be of economic importance to its business.

• It is important to carefully align international (Madrid), regional (ARIPO and OAPI) and national trade mark protection to ensure optimal protection.

• It is also important to secure trade mark protection in related classes, and not just the exact class of the goods or services of immediate interest to a business, to ensure maximum protection against infringement.