



BUSINESS - SMART IP ENFORCEMENT STRATEGIES FOR AFRICA

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European
Commission

AFRICA
IP SME HELPDESK

TUESDAY
WEBINARS



PRESENTATION STRUCTURE : 15 MINUTES

3 Themes :

- Faith
- Hope
- Love

- Case Illustrations

Free to Engage with Questions and Comments



CHAPTERS 1 - 3 : INTRODUCTION OF THE 3 THEMES IN RELATION TO THE TOPIC

FAITH

HOPE

LOVE

A way of dealing with a lot of content in little time

How much IP enforcement related information about Africa do we know ?



What are the most common counterfeit goods in Africa?

- **Pharmaceuticals**
- **Electronic goods**
- **Alcoholic beverages**

How much of Africa do we know ?

Answer ?

Pharmaceuticals

According to the WTR's A-Z Counterfeiting Guide on Africa, 2018, fake pharmaceuticals account for up to 60% of the African market.



How much of Africa do we know ?

Answer ? **Pharmaceuticals:**

FAKES KILL ...

People. Economies. Livelihoods.

INNOVATION



Where do we go from here?



Re-thinking in IP enforcement strategies:

Coalition Against Counterfeit Pharmaceutical Products (CACCP) (Nigeria) reported – 16 January 2023

Where do we go from here?

Answer ?

Re-invent **SMART** in IP enforcement strategies

The “**R**” dispensation – rethink Africa!



Where do we go from here?



The “R” dispensation – rethink Africa!

Re-imagine. Refocus. Reinvent. Recast.
Re-engage. Recognise. Re-align.
Realise. Revisit. Reframe. Review.

Resomething... just RE!

CHAPTER 1 : FAITH - GENERAL PERSPECTIVE OF THE ARIPO REGION

1

- **ARIPO : 22 Member States + Observer/Potential Member States.**
- **These States have individual systems of IP enforcement.**



CHAPTER 1 : FAITH - GENERAL PERSPECTIVE OF THE ARIPO REGION



22

States

20

Harare Protocol

13

Banjul Protocol



CHAPTER 1: FAITH - AN OVERVIEW OF CURRENT CHALLENGES THAT WE HAVE FAITH TO OVERCOME

FAITH

Each State establishes a matrix of IP enforcement policies that suits its developmental policies best

CHAPTER 1 : FAITH CONTINUED



“WHY FAITH IN IP ENFORCEMENT”

*Strong Son of God, immortal Love,
Whom we, that have not seen thy face,
By faith, and faith alone, embrace,
Believing where we cannot prove;*

Alfred, Lord, Tennyson, “In Memoriam (1850)”

CHAPTER 1 : FAITH CONTINUED



Believing where we cannot prove;

- Large segments of the population are involved in informal cross-border trade.
- **Borders are still porous due to weak administrative controls and possible corrupt practices.**

CHAPTER 1 : FAITH CONTINUED



Believing where we cannot prove;

- **Unreliable or incomplete statistics on counterfeit/pirated goods to formulate well-informed policy decisions.**
- **Poor or non-implementation of TRIPs Agreement provisions on IPR enforcement and/or remedies in national judicial systems and legislation.**

CHAPTER 1 : FAITH CONTINUED

The COVID-19 pandemic :

- **Worsened existing problems by re-shaping value chains**
- **Shifted consumer demand, and, consequently, opened new opportunities for illicit trade networks.**

CHAPTER 1 : FAITH CONTINUED

The ubiquity of the internet in Africa:

- **The ubiquity of the internet in commerce in Africa – disruption – made infringements easier to commit and enforcement more complicated.**
- **Equally disruptive – ways of enforcement of IPRs especially online infringements.**

CHAPTER 1: FAITH CONCLUSIONS

- **Challenges exist in IPR enforcement in the ARIPO region including in Observer/Potential Member States.**
- **The challenges are not endemic to Africa alone – they are a global scourge.**

CHAPTER 1 : FAITH - GENERAL PERSPECTIVE OF THE ARIPO REGION

- **States are fully sensitised to the value of IP and the importance of IP enforcement but capacities to invest in IP matters differ.**
- **Generally, IP enforcement loses the battle to other developmental priorities e.g. health and environmental concerns.**

CHAPTER 1 : FAITH CONTINUED

- IP enforcement reflects the **duality** between EU and African interests, which are significantly **complementary**. A kind of safe products// feasible market *quid pro quo*.
- **Global ramification** - counterfeit and pirated goods pose a major challenge to the global economy, and fuel organised crime – can undermine trust in functioning markets and the rule of law.

CHAPTER 1: FAITH CONCLUSIONS



- Although ARIPO operates a centralised IP grant and registration system for IPRs, the ARIPO Member States do not have a centralised IP rights enforcement system.

CHAPTER 1: FAITH CONCLUSIONS



- **ARIPO States' lack a centralised IPR enforcement system.**
- **Moot point – how tenable is this situation?**

CHAPTER 2 : HOPE

•2

OVERVIEW OF STATE PRACTICES





CHAPTER 2 : HOPE

HOPE

PROGRAMME – S

“We must accept finite disappointment, but never lose infinite hope.” - Martin Luther King Jr.

CHAPTER 2 : HOPE

What is hoped for:

- **Context:** **HOPE** anchored on the balance of interests and realities will ensure sustainable solutions.
- **From Brands:** **Inclusivity. Accessibility. Affordability. Accountability. Responsibility.**

CHAPTER 2 : HOPE

What is hoped for:

- **From States: Implementation into national legal frameworks of IPR enforcement remedies that are prescribed by the TRIPS Agreement – namely:**
- **Civil remedies** in the form of:



CHAPTER 2 : HOPE



- **Interim measures –Article 50, TRIPS**

On notice or on an *ex parte* basis and in urgent cases + orders to preserve evidence.

CHAPTER 2 : HOPE



- **Disclosure orders – Article 47, TRIPS**

Infringer may be ordered to inform IPR holder of the identity of third persons involved in the production and distribution of infringing goods/services and of their channels of distribution

exception: if the obligation is out of proportion with the seriousness of the infringement.

CHAPTER 2 : HOPE

INJUNCTION

- **Injunctions (Interdicts) – Temporary/ (Provisional) or Permanent Article 44.1, TRIPS**

Infringer may be ordered to desist from infringing activities and/or conduct

CHAPTER 2 : HOPE

INJUNCTION

- **Injunctions Cont'd - Article 44.1, TRIPS :**

Court order may also prevent infringing goods from entering channels of commerce usually in the whole ARIPO Member State to which the judgment refers.

CHAPTER 2 : HOPE



- Damages :
 - General Damages
 - Special (Pre-established) Damages – Article 45.1 and 45.2, TRIPS

CHAPTER 2 : HOPE

- **Border Measures :**

Some ARIPO members and Observer/Potential Member States have implemented border measures for the enforcement of IPRS.

Two main variations have taken form – mandatory IPR recordation as recently proposed by Kenya and voluntary recordation as currently obtained in other ARIPO States, for instance, Mauritius.

CHAPTER 2 : HOPE

- **Border Measures continued :**

WTO position as to form of recordation: measures should not constitute a barrier to trade.

CHAPTER 2 : HOPE

- **Criminal sanctions** :

Most ARIPO Member and Observer/Potential States are aware of **Article 61** of the TRIPS Agreement which encourages WTO Member States to provide in their national laws criminal law remedies for the enforcement of IPRs.

The challenge has been in the implementation of criminal procedures and sanctions.



CHAPTER 2 : HOPE - THE ANALYSIS



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- How have **“HOPEful”** IP enforcement remedies been implemented in ARIPO Member and Observer/Potential Member States?



CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE

State: Zimbabwe

Case HC 7046/2011 G.U.D Holdings (Proprietary) Limited v Commissioner General, Zimbabwe Revenue Authority (ZIMRA) N.O.

CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE CONTINUED

- **Significance:** First known completed High Court IPR enforcement case under the country's TRIPS' compliant Trade Marks Act. The Zimbabwe Trade Marks Amendment **Act No. 10 of 2001** which introduced TRIPS IPR enforcement provisions came into legal effect on 10 September 2010.
- (Note: Time difference between the date of the Act and its implementation date = an IP challenge.)

CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE CONTINUED

- **Significance Continued** : 2nd part of Application was directed to the Commissioner General of ZIMRA to exercise powers on restriction on importation or exportation of counterfeit trade mark goods i.t.o. s. 86 of the Act. The section implements the TRIPS border measures provision.

CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE CONTINUED

- **Significance Continued:** Act entitles Commissioner to restrict the importation or exportation of suspected counterfeit goods if grounds are established and goods are clearly described. Issues... to the trade mark/IPR proprietor **costs and time limits.**

CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE CONTINUED

- **Significance Continued – Costs:** Commissioner selects storage facility – may choose an expensive facility.
- Stipulates the amount of security to be paid by the IP rights owner – this may be disproportionately high.
- Correcting these anomalies will involve time and costs to the rights holder.

CHAPTER 2 : HOPE - THE ANALYSIS - G. U.D. CASE CONTINUED

- **Significance Continued – Time Limits** : Commissioner is required to retain confiscated goods under storage for an initial period of 10 days and thereafter await the outcome of Court proceedings, which often run into years.
- **Seized goods leak or deteriorate, storage costs escalate, and the importance of the case can diminish over time.**

CHAPTER 2 : HOPE – THE ANALYSIS – G. U.D. CASE CONTINUED

Conclusions :

- **High Court Orders** – The 2-part Provisional Orders directed to unknown Respondents and to the Commissioner General, ZIMRA were granted. Confirmed into Permanent Orders after 10 days.
- Main identified infringer caused delays both in the High Court and with ZIMRA which increased the right holder's costs.

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE

State: **Uganda**

Case: **Migoo Industrial and Trading Company Limited
(Migoo) v Rida International Industry Limited (Rida)
(Civil Suit 0359/2019) - 28 June 2021.**

First decided case of a design infringement by the High Court of Uganda. Also notable for its substantial damages award.

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED



- **Gumboots are long rubber boots which you wear to keep your feet dry.**
- **Also called Wellington boots**

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED

Summary :

Migoo was the first to create an industrial design of gumboots and commission a range of gumboot shoes under this design.

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED

Migoo continued:

- Rida, a business competitor who was aware of Migoo's design, was the first to register an identical design of gumboots before Migoo registered its design. Uganda is a first-to-file jurisdiction.
- Migoo sued Rida for infringement of its industrial design, seeking, inter alia infringement damages.

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED

Migoo ruling

- **The High Court awarded Migoo substantial infringement damages as follows :**
 - **Special damages** of approximately US\$ 1.8 million
 - **General damages** of approximately US\$ 1.5 million
 - **Total** - approximately US\$ 3.3 million

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED

Migoo damages :

- Difference between special and general damages – explained see - the Ghanaian Supreme Court Case of **Eastern Alloys Company Ltd v Chirano Gold Mines** (J4/48/2016) [2017] GHASC 5 (26 January 2017) + TRIPS – pre-established damages and presumed damages established through evidence of quantification.

CHAPTER 2 : HOPE - THE MIGOO GUMBOOTS CASE CONTINUED

Comments Migoo ruling

- Not a common award in Africa and therefore not precedent-setting on quantification but on tone-setting.
- Quantification of damages procedure not very clear – **were damages based on verified sales and tax records?**

CHAPTER 2 : HOPE - THE GENERAL CONCLUSIONS

- **Implementation of TRIPS IPR enforcement remedies in the ARIPO Member/Observer/Potential Member State Region has not been uniform and, in some instances, is still work in progress.**

CHAPTER 2 : HOPE - THE GENERAL CONCLUSIONS

- **Lethargy in administrative and judicial processes – whether financially induced or caused by inefficiencies?**

CHAPTER 2 : HOPE - THE GENERAL CONCLUSIONS

- **Need for capacitation and training on IPR enforcement covering all relevant stakeholders.**

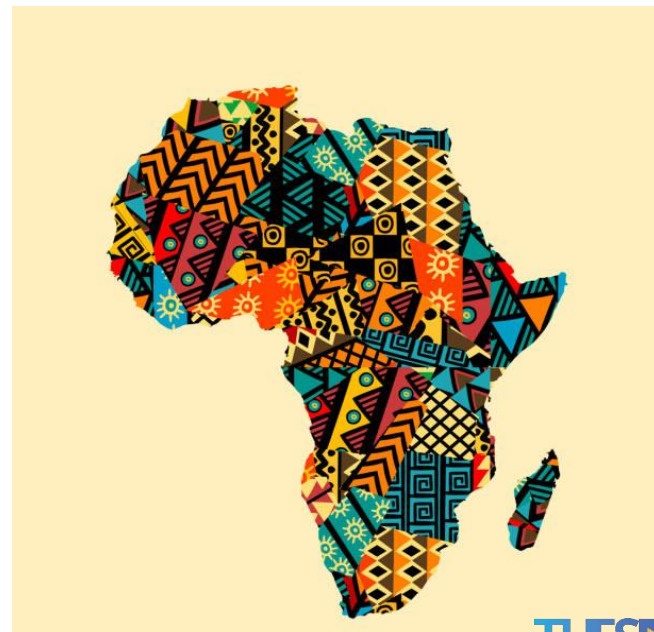
CHAPTER 2 : HOPE - THE GENERAL CONCLUSIONS

- **Need for cost-sensitive, faster business-oriented solutions – i.e. – business-smart IP enforcement solutions.**

CHAPTER 3 : LOVE - BUSINESS-SMART IP ENFORCEMENT STRATEGIES

3

BUSINESS-SMART IP ENFORCEMENT STRATEGIES





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CHAPTER 3 : LOVE

LOVE

Love is not trying. It is doing effective things that work.



CHAPTER 3 : LOVE - BUSINESS-SMART IP ENFORCEMENT STRATEGIES

**Smart choices of IP
lawyers**

**Smart IP enforcement
strategies
(PULSE + Relevant.
Efficient. Proportionate)**

THE SMART MANTRA : KNOW BEFORE YOU GO ! (KYBG)

CHAPTER 3 : LOVE - BUSINESS-SMART IP ENFORCEMENT STRATEGIES

Successful IPR enforcement requires smart choices of business-oriented experienced and responsive IP lawyers to work with.

Accredited ARIPO IP lawyers:

<https://www.aripo.org/ip-agents/>

CHAPTER 3 : LOVE

PULSE your IPR enforcement strategy:

People

Utility

Longevity – long existence - existentialism

Sustainability – ability to be maintained

Environment – setting or conditions of operation

CHAPTER 3 : LOVE

PULSE your IPR enforcement strategy:

Imagine there are no countries - AfCFTA

Imagine all the people...

You might say I am a dreamer....

Re-Imagine IP enforcement through PULSE

CHAPTER 3 : LOVE

Create effective combinations : e.g. :

Combine IPR enforcement with effective PR to spread the word.

CHAPTER 3 : LOVE



Consider the concentric circle strategy to select **impactful jurisdictions** in which to launch your IPR enforcement activities.

CHAPTER 3 : LOVE

Consider smart alternatives before embarking on litigation :

- **Cease-and-desist letters**
- **Alternative Dispute Resolution by a competent body of IPR Experts**

CHAPTER 3 : LOVE

- **Cease-and-desist letters**

In most cases, cost-effective settlements are achieved on cessation of infringement and delivery-up of infringing goods or exhausting of the offender's stock of infringing goods - avoiding environmental and reputational damage issues.

CHAPTER 3 : LOVE

- **Alternative Dispute Resolution**

If practical and adequately capacitated resources are available, can be in most cases, quicker than court processes.

CHAPTER 3 : LOVE

- **Smart Litigation**

If you must litigate : be practical – use simple infringement indicators, capacitate your team, and get involved, be present, accept small wins and build on them, if necessary, always mindful of the facts and practicalities.

CHAPTER 3 : LOVE

- **Form smart partnerships or networks with other IPR holders and stakeholders – Nigeria – NiroPharm/Pfizer**
- **CACCP Coalition.**

IP infringement is a collective violation and requires collective efforts and collective sharing of information across jurisdictions to ensure effective outcomes. solutions.

CHAPTER 3 : LOVE

- **Smart partners continued**
- **Not everyone is who they say they are, and not everyone can do what they say they can do in Africa.**
- **Be smart. If possible, always have a back plan to fall back to!**

CHAPTER 3 : LOVE

- **Share data with partners :**
 - **Infringer details**
 - **Counterfeit Identification Indicators**
 - **“Hot Markets”/Entry Points**
 - **INTERPOL and AFRIPOL contact details**
 - **e.t.c.**

SPEAKER DETAILS - BUSINESS- SMART IP ENFORCEMENT STRATEGIES



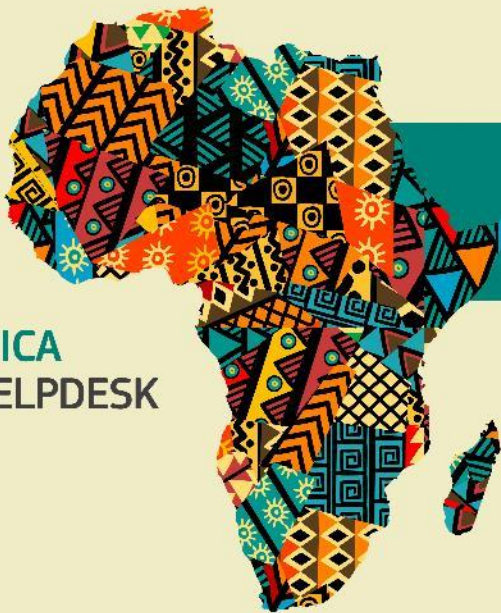
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THANK YOU

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