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LAW COMMISSION REPORT NO. 25

CONSTITUTION OF MALAWI

REPORT OF THE LAW COMMISSION ON THE REVIEW OF THE
TRADE MARKS ACT

The Report of the law Commission on the Review of the Trade Marks Act is hereby published and shall be laid in parliament pursuant to section 135(d) of the Constitution.

Dated this 29th day of July, 2013.

HON. RALPH KASAMBARA SC
*Minister of Justice and
Constitutional Affairs*

(FILE NO. LC/01/30)

REPORT OF THE LAW COMMISSION ON THE REVIEW OF THE
TRADE MARKS ACT,

TO: THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS

This is the Report on the review of the Trade Marks Act by the special Law Commission appointed under section 133 of the Constitution to review the Trade Marks Act.

We, members of the special Law Commission, submit this Report pursuant to section 135(d) of the Constitution and commend the Report and its recommendations to Government, Parliament and the People of Malawi.

MEMBERS:

JUSTICE ISAAC JAMU MTAMBO, S.C.

—*Chairperson*
Justice of the Supreme Court of
Appeal


.....

MR. MZONDI CHIRAMBO

—*Deputy Chairperson*
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—*Law Commissioner*


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MR. CHAPUSA PHIRI

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—Ministry of Industry and Trade


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ANNABEL MTALIMANJA (MRS)

—Ministry of Justice and Constitutional Affairs


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GEOFF MKANDAWIRE

—National Working Group on Trade Policy


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MR WILFORD MATHIYA

—Pharmacy, Medicines and Poisons Board


.....

Dated: November, 2012

Programme Officers

Programme Officers for this law reform programme were Mr. Mike Chinoko, Assistant Chief Law Reform Officer and Mr. Allison Thoko M'bang'ombe, Acting Chief Law Reform Officer.

Acknowledgements

Funding for this Programme was provided by the European Union under the Rule of Law and Civic Education Programme and the Government of Malawi. The Law Commission would also like to acknowledge the financial assistance from the Department of Registrar General who funded comparative study visits to Kenya and Zambia including a Commission meeting in Zomba.

Changes in the composition of the special Law Commission

In the later part of the Programme, the special Law Commission lost the services of Commissioner Dorica Phiri, a representative of the faculty of Law at the University of Malawi who is now working with the Commonwealth Secretariat and seconded to the COMESA secretariat in Lusaka, Zambia. The Commission would like to acknowledge the valuable contribution that Commissioner Dorica Phiri made to this review process.

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Foreword

In 1998 the Law Commission, as part of its mandate of reviewing Laws of Malawi with a view to their systematic development and reform, proposed the review and modernization of trade related laws in Malawi. In this regard, it called for submissions from the general public on all areas in this field that called for review.

In response to this call, the Law Commission received submissions to carry out a comprehensive review of all intellectual property laws in Malawi which were perceived by the public to be outdated and not in line with current international instruments relating to intellectual property rights.

These intellectual property laws relate to Patents, Trade Marks, Registered Designs and Copyright. All these laws were promulgated before independence with the exception of the Copyright Act which was enacted in 1989. While over the years no substantive amendments have been made to these Acts, the area of intellectual property has undergone massive transformation starting from the conclusion of international treaties like the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) to the establishment of regional intellectual property bodies such as the African Regional Intellectual Property Organization (ARIPO) established under the Lusaka Agreement.¹ These international instruments have set up new benchmarks and minimum standards with which any national intellectual property legislation is supposed to comply. Apart from these developments, there have also been other emerging issues and challenges in the area of intellectual property notable ones being the recognition and protection of geographical indications, traditional knowledge, border controls on counterfeit goods, restructuring of institutions administering intellectual property rights and the regulation of practitioners practicing in the field of intellectual property law.

Consequently, realizing the importance of intellectual property as a tool for national development, Government has developed an Intellectual Property Policy in which, among the strategic objectives, is the harmonization of the law with international treaty obligations and also adoption of measures for combating infringements so that intellectual property rights are fully used to ensure significant contribution to social, economic, cultural, scientific, industrial and technological development in Malawi.²

It is in view of this background that the Law Commission has embarked on a process of reviewing all intellectual property laws in Malawi except the Copyright Act which is currently being reviewed by the Copyright Society of Malawi. Minus the Copyright Act, the rest of the intellectual property laws form a branch referred to as industrial property law. Owing to the country's immediate needs, the process has started with the review of the Trade Marks Act because it

¹ Formally called the Agreement on the creation of the African Region Intellectual property Organisation adopted at Lusaka on 9th December, 1976

² The Intellectual Property Policy is yet to be officially adopted by Government and it is still in draft form.

is generally perceived to be the most used law among the industrial property statutes in Malawi.

To that effect, a special Law Commission, was appointed under section 133 of the Constitution to carry out the necessary law reform work. Membership of the Commission comprised representatives from the Ministry of Trade, Ministry of Justice, the Judiciary, the Malawi Law Society, the National Working Group on Trade Policy, Academia, Malawi Revenue Authority and the Pharmacy, Medicines and Poisons Board. The Commission commenced its work in July, 2009.

In reviewing the Act, the Commission recognized that the Trade Marks Act was enacted in 1957 and it is substantively a replica of the United Kingdom Trade Marks Act of 1938. The Commission was therefore mindful of the fact that the proposed law needs to incorporate recent developments in the field of intellectual property that are not only significant in the development of a strong intellectual property regime but also those that conform to applicable international law and best practices.

In arriving at its findings, the Commission undertook a programme of public consultations to have wider input into its work. This was done through the convening of meetings with various stakeholders and through invitations of submissions on the provisions of the Act.

The Commission would like to thank the European Union and the Malawi Government for funding the Programme. Special thanks also go to the Department of Registrar General for funding comparative study visits to Kenya and Zambia.

JUSTICE ISAAC JAMU MTAMBO, SC
Chairperson

Terms of Reference

The Commission developed the following Terms of Reference for the review of the Trade Marks Act—

- (a) to review laws of Malawi that are related to trade marks having regard to—
 - (i) the provisions of the Constitution and other written laws that have an impact on trade marks;
 - (ii) various policy documents, including the draft Intellectual Property Policy for Malawi;
 - (iii) the Malawi Growth and Development Strategy and the Millennium Development Goals; and
 - (iv) Malawi's obligation under international and regional conventions, treaties and protocols on trade marks;
- (b) to propose amendments to the Act to conform to the aspirations of the Constitution and applicable international norms;
- (c) to create institutional, legal and other mechanisms for registration, regulation and enforcement of matters pertaining to trade marks; and
- (d) to review any relevant laws.

Work Methodology

The Commission adopted the following methodology in reviewing the Act—

- (a) the Commission invited submissions from members of the general public through notices in the local papers and in the *Malawi Government Gazette*;
- (b) the Commission conducted consultations with key stakeholders in the area of trade marks and out of the submissions and consultations, developed a Discussion Paper;
- (c) the Commission met for three days once a month for a total period of eight months. During these meetings, the Commission scrutinised the Trade Marks Act and examined several statutes from other common law and regional jurisdictions including international treaties which have a bearing on trade marks. The Commission was also guided by the Discussion Paper which the Law Commission had developed;
- (d) the Commission developed a draft Report;
- (e) the Commission held a national consultative workshop in Blantyre, where it invited all relevant stakeholders to discuss the draft Report;³
- (f) the Commission undertook study tours to Kenya and Zambia; and
- (g) the Commission then proceeded to produce this Report.

³ The Workshop was held on 16th June, 2010 at Mount Soche Hotel.

All submissions and comments that were received by the Commission were considered and debated and some have been used in developing the recommendations contained in this Report.

Proposed Legislation

The Commission, having looked at several examples of modern legislation relating to intellectual property from other jurisdictions, observed that it is ideal to have one statute covering the whole area of industrial property namely: patents, trade marks, registered designs and geographical indications. It was noted that there are certain common elements that apply to the different branches of industrial property such as institutions administering intellectual property rights, agents and other procedures in opposition proceedings. The Commission was aware that the Law Commission plans to review the other laws on industrial property. However, recognising that law reform is a long and daunting process which also requires substantial resources, the Commission recommends the enactment of a stand-alone legislation on trade marks for the time being. This Act shall replace the current Trade Marks Act which has to be repealed due to the comprehensive changes that have been recommended in this Report. The Commission was of the further view that when the rest of the industrial property statutes have been reviewed by the Law Commission, all these statutes shall then be consolidated into one Act to be called “Industrial Property Act” in line with international best practices.

In the narrative part of the Report, the Commission has not assigned part numbers and section numbers for the new provisions being recommended since they will bear their proper part numbers and section numbers in the draft legislation. However, subsection numbers for sections have been assigned to indicate the structure and full content of the recommended provision.

Structure of the Report

The bulk of the Report contains detailed findings and recommendations of the Commission. All matters recommended to be enacted are shown in **bold**.

SPECIFIC FINDINGS AND RECOMMENDATIONS

DEFINITION OF A TRADE MARK

The Commission observed that the definition of a trade mark under section 2 (1) of the Trade Marks Act lacks clarity as to the exact meaning of the term. The above section defines a trade mark as follows:

“trade mark” means, 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 connexion in the course of trade between the goods and some person having the right either as a proprietor or as a registered user to the mark, whether with or without any indication of the identity of that person, and means, in relation to a certification trade mark, a mark registered or deemed to have been registered under section 42;”

The Commission observed that this lack of clarity means that neither the applicants nor the examiners are clearly guided by the Act as to what constitutes a trade mark that may be registered. Furthermore, members of the public are also not equipped with the grounds on which they may wish to challenge the registration of certain trade marks. In addition, the current definition excludes the registration of marks as applied to services with the consequence that many applicants squeeze the registration of such marks within classes that, within the context of the Act, essentially apply to goods only.⁴

The Commission noted that Malawi is a member of the TRIPS Agreement and that the definition of a trade mark in the TRIPS Agreement extends to services.⁵ Other countries like Botswana, the United Kingdom and Kenya also extend their definition of a trade mark to services.⁶ The Commission therefore observed that extending the definition of a trade mark to capture services would not only be complying with TRIPS Agreement but would also assist players in the service industry to register their marks as service marks in line with international best practices. The Commission therefore recommends that the definition of a trade mark should apply to both goods and services.

The Commission also observed that a mark must meet three requirements for it to be registered as a trade mark.⁷

The first one is that it must be a sign. The requirement that a trade mark must be a sign is not problematic. A sign can take the form of words, names, designs, letters, numerals or the shape of goods or their packaging. A trade mark office may however refuse certain signs which when considered together with the rest of the definition of a trade mark, or other policy reasons, cannot be registrable as a trade mark.

⁴ Registration in this regard is done in class 16 and 25 of the register

⁵ Article 15 of TRIPS

⁶ See Industrial Property Act, Botswana; Trade Marks Act 1994 of UK; Trade Marks Act 2002 of Kenya

⁷ These were observed from definitions of a trade mark in the Industrial Property Act of Botswana, Trade Marks Act of United Kingdom and Trade Marks Act of Kenya.

The second requirement is that it must be capable of being represented graphically. The Commission observed that what constitutes graphical representation is a matter which has sparked a lot of debate and legal proceedings; for example in Europe especially when dealing with signs consisting of smell, sound, colour and taste, otherwise known as non-traditional marks. There has been a growing body of case law arising from Article 2⁸ of the First Council Directive 89/104 of the European Commission. The underlying principle that has come out of such cases is that a trade mark may consist of a sign which is not in itself capable of being perceived visually provided that it can be represented graphically, in particular, by means of images, lines, characters or descriptions that are clear, precise, self-contained, easily accessible, intelligible, durable and objective.⁹ In the USA, if the mark consists solely of a sound, scent or other completely non-visual matter, the applicant must submit a detailed written description of the mark that clearly explains the sound, scent or other non-visual matter.¹⁰

The third requirement refers to the essential function of trade marks namely, the ability to distinguish the goods or services of one undertaking from those of others. It means that the trade mark should be distinctive for the goods or services for which registration is sought. This is a matter for which the Trade Marks Office in the first instance should make a judgment. In making this assessment, the office should be guided by the law and trade mark policy considerations.

In summary, the Commission recommends that a trade mark should be a sign that is capable of being represented graphically; or in relation to non-visual marks, a mark that can be sufficiently described in a clear, precise, intelligible and objective manner; which is capable of distinguishing goods or services of one undertaking from those of another. Further, the Commission recommends that the Trade Marks Office should have administrative instructions that should assist it when examining trade mark applications especially those relating to non-visual marks.

The Commission therefore recommends the adoption of the following provision as a definition of a trade mark—

A trade mark is—

(a) any sign or mark which is capable of being represented graphically; or

(b) in relation to non-visual signs or marks, any sign or mark that is sufficiently described in a clear, precise, intelligible and objective manner,

and is capable of distinguishing the goods or services of one undertaking from those of other undertakings.

⁸ Which provides that a trade mark may consist of any sign capable of being represented graphically.

⁹ See: Sieckman v. Deutsches Patent und Markenamt Case C-273/00 (2003) 3 W.L.R 424 Court of Justice of the European Communities (ECJ); Shield Mark BV v. Kist Case C-283/01 (ECJ); Metro-Goldwin-Mayer Lion Corp's Application (2004) E.T.M.R. 34

¹⁰ See US Trade Mark Manual of Examination Procedure 2007 Chapter 0800 Paragraph 807.09

REGISTRATION ISSUES

The Register

The Commission observed that section 6 of the Trade Marks Act relates to the division of the register into four parts, namely Parts A, B, C and D. Part A registrations are accorded full trade mark rights as opposed to Part B registrations which are inferior to the former. Thus, an applicant who fails to secure registration under Part A may seek registration under Part B. The difference between the two registrations comes to light during infringement proceedings whereby the owner of a Part B registration is prevented from applying for an injunction to stop the use of an infringing trade mark. Part C registrations relate to certification marks while Part D registrations are for defensive marks.

The Commission noted that Part B registration serves no practical use since there has been no Part B application filed at the Trade Marks Office. It was further observed that this division has been abolished in the United Kingdom Trade Marks Act and most modern legislation on trade marks in Africa.¹¹ The Commission recommends that the new law should abolish the use of Parts and instead should have one register for all marks. Further, the Commission recommends that marks which could be registered in Part B should graduate to Part A upon the owner showing that the mark has acquired distinctiveness through use otherwise they will have to cease to be registered. This provision will appear as one of the transitional clauses in the proposed law. Furthermore, the Commission recommends that marks that do not completely meet the criteria for registration could be registered subject to limitations; such as associations¹² and disclaimers.¹³ The Commission therefore recommends the adoption of the following provisions.....

**PART..... — REGISTRATION OF TRADE MARKS AND
CONNECTED MATTERS**

Register ... **—(1) The Registrar shall maintain a Register of trade marks.**

(2) There shall be entered in the Register in accordance with this Act—

(a) registered trade marks;

(b) such particulars as may be prescribed of registrable transactions affecting a registered trade mark including renewals, notifications of assignments and transmissions, names, addresses and descriptions of all registered users, disclaimers, conditions, limitations; and

¹¹ Like Botswana's Industrial Property Act and Mauritius' Trademarks Act

¹² Where similar brands have to be licensed together

¹³ Disclaimers are recognized under section 19 of the Trade Marks Act

(c) such other matters relating to registered trade marks as may be prescribed.

(3) Any person may, upon payment of the prescribed fee, and in accordance with any conditions which may be prescribed, search, inspect or make a copy or obtain an extract of the Register referred to in subsection (1).

Registration of Part B trade marks **The Registrar may, in case of a trade mark registered in Part B of the register under the Trade Marks Act (now repealed) and upon application by the proprietor of such mark and having shown that the mark has acquired distinctiveness through use, register that mark in the register.**

APPLICATION FOR REGISTRATION

The Trade Marks Act provides that trade marks may be registered either in Part A or Part B.¹⁴ A close look at the Act shows that it has listed particulars for application required for a trade mark to be registered under Part A but has not done the same for applications for trade marks that are to be registered in Part B.¹⁵ That notwithstanding, section 14, which lists the particulars required for registration, does not prescribe all essential elements that are to be contained in an application for registration of a trade mark. In any case, the Commission has also recommended elsewhere in this Report that the trade marks register should not be divided into Parts.¹⁶

The Commission observed that the Trademark Law Treaty provides a guide on the elements that constitute an application.¹⁷ The Commission acknowledged the importance of having the elements that constitute an application in the law because, in addition to the grounds for refusal, they provide a checklist on which the Registrar will base his or her decision on whether to register a trade mark, or not. To that effect, the Commission recommends the adoption of the following provisions.....

Application for registration ... **—(1) An application for registration of a trade mark shall be made to the Registrar.**

(2) Subject to the limitations set out in this Act, a person who uses or intends to use a mark may file with the Registrar an application for registration of that mark as a trade mark and the application shall contain—

(a) a request for registration of the mark as a trade mark;

(b) the name and address of the applicant;

¹⁴ Section 14 & 15

¹⁵ *Ibid*

¹⁶ See page 12 of the Report

¹⁷ Article 3 of the Trademark Law Treaty adopted at Geneva on October 27, 1994

(c) a statement and name of goods or services for which registration is sought;

(d) a representation of the mark;

(e) a signature of the applicant; and

(f) a declaration of use or intention to use the mark as a trade mark.

(3) Subject to the provisions of this Act, the Registrar may refuse the application or accept it absolutely or accept the application subject to any amendments, modifications, conditions or limitations, as he may think fit.

(4) The Registrar shall make an order accepting or refusing an application for the registration of a mark as a trade mark within thirty (30) days of receiving the application.

GROUND FOR REFUSAL

Following from the definition of a trade mark, modern legislation on trade marks tends to identify the grounds upon which a trade mark application may be refused. The advantages of such an arrangement are twofold. The arrangement assists the applicant to make a considered choice of a trade mark and also provides a Trade Marks Office with a clear basis on which to find decision to grant or refuse registration. The Commission noted that currently, the grounds upon which the Registrar may refuse an application are scattered throughout the Act and can only be identified by inference, in particular to sections 14, 15, 16, 17, 20, 21 and to subsidiary legislation pursuant to section 5 of the Act, in regulations 15, 16, 17 and 19. The Registrar has to make reference to these provisions in making a decision on whether to accept or refuse an application. However, because the said grounds for registrability and validity, as the Act refers to them, are scattered over several sections and regulations, they do not provide a userfriendly, simple and straightforward guidance for making a decision by the Registrar or in the case of an applicant, informing him in advance of the chances of obtaining the sought registration. The Commission observed that it may be desirable that the proposed legislation should simplify the provisions by identifying and categorising the grounds upon which a trade mark application may be refused by the Registrar and that the law should group all the possible grounds of refusal under one provision. This approach is found in pieces of legislation of most countries; such as that of Botswana, Mozambique, Mauritius and Japan.¹⁸

The Commission also took cognizance of the fact that in other jurisdictions like the United Kingdom, grounds for refusal are separated into two categories namely, absolute grounds of refusal and relative grounds of refusal.

¹⁸ See: S.68 (2) of Industrial Property Act, Botswana, S.36 (2) of Patents, Industrial Design and Trade Marks Act of Mauritius, Industrial Designs and Trade Marks Act, Mozambique, chapter II of Trade Marks Act, Japan

The absolute grounds for refusal relate to the inherent capacity of the trade mark to function as such in its own right. These grounds include: signs which do not satisfy the requirements (definition) of a trade mark, trade marks which are devoid of distinctive character (therefore not able to distinguish the goods or services of one enterprise from those of another), trade marks which designate the kind, quality, quantity, intended purpose, geographical origin or other characteristics of goods or services; or trade marks consisting of signs which have become customary in the common parlance or established practices of the trade.¹⁹ These grounds look at the mark itself without reference to other external factors.²⁰

On the other hand, the relative grounds for refusal, in section 5 of the UK Trade Marks Act, take into account earlier registered trade marks to decide whether the trade mark for which registration is sought can be registered.²¹ Thus, a trade mark shall not be registered: if it is identical to an earlier trade mark and relates to identical goods or services; if it is identical to an earlier trade mark and relates to similar goods or services, and there exists a likelihood of confusion on the part of the public, including the likelihood of association with the earlier mark; if it is similar to an earlier trade mark and relates to identical or similar goods or services, and there exists a likelihood of confusion on the part of the public, including the likelihood of association with the earlier mark; if it is identical or similar to an earlier trade mark but relates to dis-similar goods or services, but the earlier mark has a reputation so that its use would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier mark; or if its use is liable to be prevented by virtue of any law protecting an unregistered trade marks or signs used in the course of trade (e.g. passing off), or by earlier rights existing by virtue of the law of copyright or of registered designs.

After considering the two approaches, the Commission was of the view that a comprehensive provision dealing with grounds for refusing registration is more ideal than having relative grounds and absolute grounds. This would bring simplicity, certainty and clarity to both the applicant and the examiner as regards the registrability of the mark.

The Commission also took note of the provisions of the Paris Convention for the Protection of Industrial Property, 1967 (The Paris Convention) to which Malawi is a party. This Convention requires member states to refuse or invalidate the registration and to prohibit the use, as trade marks, without authorisation, of any armorial bearings, flags, and other state emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them.²² This prohibition equally applies to armorial bearings, flags, other emblems, abbreviations, and names, of intergovernmental organisations of which one or more countries of the Union are members.²³

¹⁹ Section 3, UK Trade Marks Act 1994

²⁰ MacQueen H, Waelde C and Laurie G, (2007) *Contemporary Intellectual Property, Law and Policy*, Oxford, P 577, 605

²¹ *Ibid*

²² Article 6ter (1) (a) of the Paris Convention

²³ Article 6ter (1) (b) of the Paris Convention

The Commission therefore recommends that the law should have one comprehensive section dealing with all grounds of refusal and, in that regard, the Commission recommends the adoption of the following provision—

- Ground for refusal of registration of a mark** ... **A mark shall not be registered as a trade mark if it—**
- (a) is incapable of distinguishing the goods or services of one enterprise or business from those of another enterprise or business;**
 - (b) is identical with, or similar to another registered trade mark or other mark whose application for registration as a trade mark was filed prior to the filing date of the trade mark application concerned;**
 - (c) consists solely of a mark indicating the common name of the goods or services;**
 - (d) is contrary to public order or morality;**
 - (e) is likely to mislead the public or trade circles, in particular as regards the geographical origin of the goods or services concerned, or their nature or characteristics;**
 - (f) is identical to, or is an imitation of, or contains, as an element, an armorial bearing, flag or other emblem, a name, abbreviation or initials of, or official sign or hallmark adopted by any State, inter-governmental organization or organization created by an international convention, unless the competent authority of that State or organization has given authorization for such bearing, flag, emblem, name, abbreviation or initials, official sign or hallmark to be used by an applicant for a registered mark;**
 - (g) is identical to, or confusingly similar to, or constitutes a translation of, a trade mark or trade name which is well known in Malawi for identical or similar goods or services of another enterprise, or if it is well known, and registered in Malawi for goods or services which are not identical or similar to those in respect of which registration is applied for:**
 - Provided, in the latter case, that—**
 - (i) the use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well known mark; and**
 - (ii) the interests of the owner of the well known mark are likely to be prejudiced by such use.**

RECOGNITION OF UNREGISTERED MARKS

The Act recognizes first use of a trade mark even if unregistered²⁴ and the fact that an owner of such a trade mark could bring a common law action for passing off.

In some countries, trade mark rights exist only as a result of registration. In the United States of America on the other hand, trade mark rights are created by use of the mark and registration only confers certain additional rights.

The Commission observed that the problem with having registration before one can have any trade mark rights is that there may be unregistered users of trade marks in the country, who lack the sophistication or financial resources to obtain registration but who have built up goodwill and public recognition of their products and trade names.²⁵ As such it would not be fair for opportunistic registrants to usurp the rights of established prior users of a mark or similar mark for the same goods or services just because they rushed to the registry first. The Commission resolved that unregistered marks that have built up reputation should be accorded some protection. However, the Commission recommends that when it comes to infringement proceedings in relation to unregistered marks, the plaintiff's action should be limited to that of passing off. To this effect, the Commission noted the provisions of section 7 of the Act and recommends that this provision be retained but that it should be further fused with the provisions of section 12 of the Act.

In this way, Malawi will maintain a hybrid approach that provides for rights upon registration but also which provides protection for the first user of an unregistered mark in the country. The Commission also felt that they should make provision for situations where the user of the unregistered mark seeks registration of that mark so long as he proves to the satisfaction of the Registrar his 'honest concurrent use' of that mark. In such cases, registration shall not be refused on account of the existence of an earlier mark but the proprietor of the earlier mark may oppose registration of the mark by bringing opposition proceedings.²⁶ It has been stated that factors that may be taken into account when assessing honest concurrent use include; the extent of use in time, quantity and the area of trade; the degree of confusion likely to ensue from the resemblance of the marks; the honesty of the concurrent use; whether any instances of confusion have in fact been proved; and the relative inconvenience which would be caused if the mark were registered.²⁷ These factors may however be prescribed in the Trade Mark Manual of examination procedure.

²⁴ Section 12 of the Trade Marks Act

²⁵ For instance as of the year 2009, consultations done by the Law Commission in northern Malawi revealed that such renowned brands like Mzuzu Coffee, Chiwogoro Honey and Tapika Honey were not registered trade marks because the proprietors were not aware of the registration requirements.

²⁶ See for instance section 7 of the UK Trade Marks Act 1994

²⁷ D. Kitchen, (14th edtn) *Kerly's Law of Trade Marks and Trade Names*, 2005, Para 9-156

The Commission therefore proposes the adoption of the following provision—

Unregistered
marks

... —(1) A proprietor or licensee of a registered trade mark shall not interfere or restrain the use by another person of a trade mark identical with or nearly resembling the registered trade mark which that other person or predecessor in title has continuously used prior to the registration of the trade mark.

(2) A person shall not be entitled to institute any proceedings to prevent or to recover damages for the infringement of an unregistered trade mark, but nothing in this Act shall affect the right of action against any person for passing off goods or services as the goods or services of another person or the remedies in respect thereof.

(3) Where, on an application for the registration of a trade mark, it appears to the Registrar that there is an earlier trade mark or right on the register but the applicant has shown to the satisfaction of the Registrar that there has been honest concurrent use of the trade mark for which registration is sought, the Registrar shall not refuse the application by reason of the earlier trade mark or right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or right.

OPPOSITION PROCEEDINGS AND TRADE MARKS JOURNAL

Trade Marks Journal is a journal that contains, among other things, particulars of applications for registration of trade marks, rulings made by the Registrar, and notices of trade marks accepted by the Registrar. As such, it is an avenue for public awareness of trade mark matters. Thus, among other things, it facilitates opposition proceedings since it is mainly through the Journal that the general public is made aware of trade marks that have been accepted for registration and will actually be registered two months later if there is no such opposition.

The Commission therefore observed that the Trade Marks Journal is an indispensable tool in the management of trade marks in Malawi. Section 80 of the Trade Marks Act places an obligation on the Registrar to publish the journal upon being directed by the Minister. The Commission observed that through practice, the journal is published by Government Printer. Thus, two factors have led to delays and sometimes total failure in its publication; namely, the requirement for ministerial directive and the practice of using Government Printer.

The Commission observed that the importance of the Journal necessitates its timely publication without waiting for Ministerial directive and recommends that the Registrar should have the responsibility of publishing the Journal. Since this Journal may be accessed internationally, the format should be improved by using Internationally-Agreed Numbers for Identification of Data (INID) which is the international system used in identifying the particulars of an application. The Commission therefore recommends that section 80 be repealed and replaced with the following modified provision....

Trade Marks Journal ... (1) The Registrar shall, once every month, publish a Trade Marks Journal.

(2) When publishing the Trade Marks Journal, the Registrar shall ensure that the Journal uses Internationally Agreed Numbers for Identification of Data.

(3) The Trade Marks Journal shall contain the following information—

(a) particulars of applications for trade marks;

(b) particulars of applications accepted by the Registrar;

(c) rulings made by the Registrar;

(d) notices of opposition to trade mark applications; and

(e) any other matters arising under this Act.

(4) The Registrar shall sell copies of the Trade Marks Journal at such price and in such a manner as the Minister may direct.

The Commission also noted that one of the concerns raised by stakeholders is the inordinate delay in processing and registering trade mark applications by the Registrar General's Department.²⁸ In that regard, it was suggested that the law needs to prescribe at least a maximum period within which acceptance should be made. Thus, the Commission recommends that acceptance or refusal of applications should occur within 30 days from the date of filing of an application.²⁹ The proposed provision on this aspect has been inserted under application for registration that has already been discussed above.

Regarding opposition proceedings, section 23 of the Trade Marks Act provides that when an application for registration of a trade mark has been accepted by the Registrar, the applicant shall, soon after acceptance, advertise the application as accepted in the prescribed manner.³⁰ Thereafter, any person may, within a period of two months after the advertisement of an application, give

²⁸ Report on Consultations on the Review of Intellectual Property Laws. Malawi Law Commission. 2009

²⁹ For draft provision, see provisions relating to application for registration

³⁰ Advert is made in form T.M No.44

notice to the Registrar of opposition to the registration.³¹ This notice, which has to be in writing and containing the grounds of opposition, is sent by the Registrar to the applicant and the applicant is required within two months of receipt of such notice to send a counter statement of the grounds on which he relies for his application. The Registrar is then required to furnish a copy of the counter statement to the person giving notice of opposition and shall, after hearing the parties, decide whether registration is to be permitted or not.³²

The Commission recommends that the procedure under the Act be maintained but that the proposed law should stipulate that the Registrar shall make a ruling within 60 days from the date of the hearing unless he cannot be reasonably expected to do so. The Commission therefore proposes the adoption of the following modified provision....

Opposition to application ... —(1) **Where an application for registration of a trade mark is accepted, whether absolutely or subject to conditions or limitations, the Registrar shall as soon as possible, and upon payment of the prescribed fee, advertise the application in the prescribed manner.**

(2) The advertisement, referred to in subsection (1), shall specify all conditions and limitations subject to which the application is accepted.

(3) The Registrar may direct that an application be advertised before acceptance where it appears to him that it is expedient due to any exceptional circumstances to do so, and where this is to be done, the Registrar may, if he thinks fit, direct that the application be advertised again after it is accepted.

(4) Any person may, within two months from the date of the advertisement of an application, give notice to the Registrar of opposition to the registration of the trade mark.

(5) The notice of opposition shall be issued in the prescribed manner and shall include a statement of the grounds of opposition.

(6) The Registrar shall send a copy of the notice of opposition to the applicant and within two months after receipt thereof, the applicant shall send to the Registrar, in the prescribed manner, a counter-statement stating the grounds on which he relies for his application.

(7) Where the applicant, without good reason, fails to send the counter statement to the Registrar within the

³¹ r.46 of Trade Marks Regulations.

³² See section 23 of the Trade Marks Act as read with r.46, 47 and 48 of Trade Mark Regulations.

prescribed time, he shall be deemed to have abandoned the application.

(8) If the applicant sends such a counter-statement, the Registrar shall furnish a copy thereof to the person giving the notice of opposition; and after hearing the parties and considering the evidence, decide whether, and subject to what conditions or limitations, if any, registration is to be permitted.

(9) The Registrar shall make a decision regarding the opposition proceedings permitting or refusing the registration of a trade mark within sixty (60) days from the date the hearing is concluded.

REGISTRATION OF TRADE MARKS

This is governed by section 24 of the Act which provides that the Registrar shall register a trade mark where an application for registration has been accepted and there has been no opposition or if there was opposition, such opposition has been decided in favour of the applicant. It goes further to state that such registration shall be effective from the date of application. The section also empowers the Registrar to treat an application as abandoned if an applicant fails to complete it within twelve months.

The Commission agrees that any application for registration of a trade mark, having fulfilled all the conditions and procedures under this Act, should culminate in registration of the said trade mark. The current provision is therefore acceptable as it imposes an obligation on the part of the Registrar to register the trade mark if it qualifies for registration. The Commission also observed that the provision of making the effective date of registration as being the date of application is sanctioned by the Paris Convention for the Protection of Industrial Property to which Malawi is a member.³³ The Commission was therefore of the view that not only does the provision make logical sense but it is also in conformity with applicable international law and recommends its retention though in a modified way so that it is more clear. The modified provision reads as follows—

Registration ... —(1) When an application for registration of a trade mark has been accepted, and either—

(a) the application has not been opposed and the time for notice of opposition has expired; or

(b) the application has been opposed and the opposition has been decided in favour of the applicant,

the Registrar shall, unless the application has been accepted in error or unless the Tribunal otherwise directs, register the trade mark, and the registration shall be with effect from the

³³ Article 4(3)

date of the application for registration, and that date shall be deemed, for the purposes of this Act, to be the date of registration.

(2) The Registrar shall, on the registration of a trade mark and upon payment of the prescribed fee, issue to the applicant a certificate of registration in the prescribed form under seal of the Trade Marks Office.

(3) Where the applicant fails to complete the registration processes of a trade mark within twelve months from the date of the application, the Registrar shall treat the application as abandoned.

CLASSIFICATION OF GOODS AND SERVICES

Classification matters are provided for under section 41 of the Trade Marks Act and regulation 5 of Trade Marks Regulations. Under section 41, the Minister is mandated to make regulations empowering the Registrar to designate the classes of goods in respect of which trade marks are registered. Regulation 5 deals specifically with classification of goods. The Commission observed that the classification relates to goods only as the current definition of a trade mark covers goods and not services. Since the Commission has recommended that a trade mark should be defined to relate to both goods and services, the classification provisions will have to be amended accordingly. The Commission also noted that there are two types of classifications; namely, the Nice Classification³⁴ and the Vienna Classification³⁵. Both classifications are amended from time to time. It was observed that classification is important when carrying out a search of trade marks in the register. The Commission therefore recommends that these classifications be adopted. The justification for this recommendation being that the Nice Classification is the internationally accepted standard of classification and Malawi, being a party to the Nice Agreement, is therefore obliged to apply it. In addition, the Commission considered that the implementation of the Vienna Classification, despite Malawi not being a party, would go a long way towards simplifying searches for figurative elements of marks.

The Commission also resolved that the issue of classification is a substantive matter and should be reflected in the principle legislation. The Commission therefore recommends the deletion of section 41 of the Trade Marks Act and the insertion of the following new provision...

Classification of goods and services	... —(1) Goods and services shall be classified for purposes of registration of trade marks in accordance with the Nice Classification or Vienna Classification, as the case may be and as amended from time to time.
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³⁴ Nice Classification is found in Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks adopted on June 15, 1957 and last amended on September 28, 1979

³⁵ Concerning Classification of Figurative elements of Marks

(2) For purposes of this section—

“Nice Classification” means a classification adopted in the Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks; and

“Vienna Classification” means Vienna Classification of Figurative elements of Marks.

(3) Any question regarding the class within which any goods or services fall shall be determined by the Registrar.

RIGHTS CONFERRED BY REGISTRATION

The Trade Marks Act provides that a proprietor of a registered trade mark has the exclusive right to use the trade mark.³⁶ The Commission observed that this is the correct position and complies with article 16 of the TRIPS Agreement.³⁷ However, the Commission noted that the provision was not properly drafted in the sense that it does not mention the fact that the exclusive right to use the registered trade mark is in respect of identical or similar goods or services. The Commission therefore recommends that the provision should capture the fact that upon registration, an owner of the registered trade mark has the exclusive right to use that mark to the exclusion of others in respect of identical or similar goods or services.

The Commission had recourse to a similar provision in the United Kingdom Trade Marks Act and acknowledged that it offers good guidance regarding the effect of registration. The Commission therefore recommends the deletion of section 9 and replacing it with the following proposed provision—

Rights
conferred by
registration

... —(1) A proprietor of a registered trade mark has the exclusive right to use the trade mark in respect of goods or services for which the trade mark was registered.

(2) The right of the proprietor shall be effective from the date of filing of the application for registration.

LIMITS ON EFFECT OF REGISTERED TRADE MARK

The Commission took cognisance of the fact that the TRIPS Agreement allows member states to provide exceptions to rights granted by registration such as fair use of descriptive terms.³⁸ The Commission also noted that it is necessary to protect owners of concurrent trade marks which were entered on the Register

³⁶ Section 9

³⁷ It provides that the owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion.

³⁸ See Article 17 of TRIPS

pursuant to honest concurrent use and provided that the trade marks have been used concurrently for a period of five years. Hence, if an owner of an earlier trade mark has known about the concurrent use of another identical or similar trade mark and has done nothing to stop it for the requisite period of five years, use of the other's later registered trade mark may be permitted.³⁹

Other instances where the Commission felt that there should be a limit to the right conferred by registration are the use of one's name and address,⁴⁰ the use of a trade mark to describe goods or services⁴¹ or use of another person's trade mark in relation to spare parts and accessories.⁴² These, however, have to be in accordance with honest practices in industry and trade.

The Commission was of the view that the United Kingdom Trade Marks Act gives a good guide in this area and recommends adoption of that scheme.

EXHAUSTION OF RIGHTS

The concept of exhaustion of trade mark rights is also a limit to the rights conferred by registration and implies that once goods bearing the trade mark have been placed on the market or commercialized by the trade mark owner or with his consent, the owner cannot prohibit the further commercialization of those goods. His rights in respect of the specific item or consignment are said to be "exhausted" by the act of putting the goods on the market. This principle was applied in the European Union (EU) case of *Deutsche Grammophon v Metro*⁴³ where the intellectual property in issue was copyright in a sound recording. In that case, Deutsche Grammophon tried to use its exclusive right in a sound recording in Germany to stop the importation into Germany of records put on the market by its French subsidiary. The court held that, because the EU, or the European Economic Community as it then was, is treated as a single market, such a restriction of the territory in which the French subsidiary could sell its product was against the free movement of goods within the EU.

Hence the concept of exhaustion arises because of the territorial nature of intellectual property rights. The upshot of territoriality of intellectual property rights is that intellectual property rights obtained in one territory are independent of rights in another territory even if owned by the same person.

Thus, the Paris Convention, Art. 6 (3) provides that:

"A mark duly registered in a country of the Union shall be regarded as independent of marks registered in other countries of the Union ..."

³⁹ See Annand, R & Norman H, Blackstone's Guide to Trade Marks Act 1994, Blackstone Press, London, 1994 pg 165

⁴⁰ This limitation is based on public policy.

⁴¹ This limitation allows a trader to use another person's trade mark to describe various attributes of a product such as ingredients like particular brands of artificial sweeteners which are already trade marks in themselves.

⁴² Necessary to indicate the intended purpose of a product or a service. This limitation is important for those who manufacture replacement parts for goods or cars. See also Blackstone Guide to Trade Marks Act 1994, Supra. Pages 164 - 171

⁴³ (1971) ECR 487

It means therefore that the importation for commercial purposes into the country of any articles bearing a trade mark already registered in the country constitutes infringement of the registered mark. A person may therefore prevent articles that have been put on the market in one country from entering another country where he also trades in similar goods or services. In so doing, a trader may be able to segment the market and charge different prices for a similar article in different markets. The principle of exhaustion of rights addresses this situation by prohibiting a trade mark proprietor from preventing the further use of a trade mark applying to goods which have been placed on the market by himself or with his consent. Thus, once goods or services bearing a duly registered trade mark have been placed on the market by the proprietor or with his consent, the rights relating to those goods are exhausted. He may not therefore claim for infringement where, for example, another person buys and places the articles for sale in competition with the proprietor.

Exhaustion may either be national, regional or international. In national exhaustion, a trade mark owner may exhaust his rights only if he places his goods or services within the territory where he registered his rights. In the case of Malawi, the principle of exhaustion of trade mark rights means that once a trade mark owner puts the goods on the local market, his rights are exhausted only in Malawi. Therefore any goods placed on the market outside Malawi would be infringing items if imported into Malawi.

Regional exhaustion applies especially where there is a free trade agreement among a number of countries. In this case, the trade mark owner exhausts his rights only if he puts his goods in any country of the free trade area. A good example of regional exhaustion is the EU and the European Economic Area which creates a single market, with, among other things, free movement of goods among member countries. Interestingly, the Southern Africa Development Community (SADC), to which Malawi is a member, established a Free Trade Area in 2008 creating a single market for goods within the member countries.⁴⁴ The Commission however observed that the concept of a Free Trade Area in SADC has not been fully implemented and adopted by member states. It was therefore resolved that the concept of regional exhaustion should not apply and should not be legislated at this point.

In international exhaustion, a trade mark owner exhausts his rights once he by himself or a third party with his consent puts his trade mark in any country in the world.

Basically, the principle of exhaustion creates a legal fiction whereby a particular area is designated for the intellectual property right holder to enjoy his rights of first commercialization. In national exhaustion, the country's borders are the limits. Any goods imported bearing his trade marks are infringing. In regional exhaustion, the borders are extended to the area of the free trade area. In international exhaustion, the borders are the whole world. In this way, the

⁴⁴ See www.sadc.int visited on 12th May 2010

principle of exhaustion contributes to the creation of an agreed market area without trade restrictions.

The Commission deliberated on this matter and recognized the importance of international exhaustion which ensures that there is price competition as traders are able to source products from markets where they are offered for lower prices without facing the threat of legal action for trade mark infringement. The ability to source cheaper comparable products from other markets is also crucial to the ability of countries to find cheaper essential drugs without infringing intellectual property rights duly registered by a proprietor in a country. However, the third parties sourcing such products must ensure that the goods and the packaging or wrapping in direct contact with the goods have not deteriorated or been altered otherwise the intellectual property holder may sue in those circumstances. This exception is necessary to protect and avoid dilution or damaging of the products image and profile in the eyes of the public by unscrupulous individuals.

The Commission therefore recommends the adoption of the following provisions encompassing limits to the right conferred by registration and the concept of exhaustion of rights.

Limit on right conferred by registration ... —(1) **A registered trade mark is not infringed by the use of another registered trade mark in relation to goods or services for which the latter is registered following honest concurrent use for a period of five years during which the owner of the earlier right has had knowledge of such use by the latter.**

(2) A registered trade mark is not infringed by—

(a) the use by a person of his own name or address, the name of his place of business, the name of any of his predecessors in business, or the name of any such predecessor's place of business;

(b) the use of the trade mark where it is necessary to indicate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services;

(c) the use of the trade mark where it is necessary to indicate the intended purpose of a product or service including spare parts or accessories; or

(d) the importation into or the distribution, sale or offering for sale in Malawi of goods to which the trade mark has been applied by or with the consent of the proprietor thereof:

Provided that the use is in accordance with honest practices in industrial or commercial matters.

Exhaustion of rights ... **The rights conferred by registration of a trade mark may not be invoked to prevent a third party from using in the course of trade goods lawfully bearing the trade mark after the goods are put on the market in Malawi or abroad by the registered holder or by a person acting with the holder's consent or having an economic tie to the holder:**

Provided that the goods and the packaging or wrapping in direct contact with the goods is not deteriorated or altered.

DURATION OF RIGHTS

Trade marks laws in many countries provide for the duration within which a trade mark owner may enjoy his or her rights subject to renewal. The rationale behind these provisions is to ensure that only those trade marks that are valid must receive protection of the law. The Trade Marks Act provides for an initial period of seven years renewable for further periods of fourteen years.⁴⁵ The TRIPS Agreement requires member states to provide for at least seven years but a trade mark can be renewed indefinitely⁴⁶ although in most countries the renewal period is ten years.⁴⁷ The Commission observed that in many countries the duration of rights is ten years⁴⁸ and therefore recommends that the duration in Malawi should also be ten years subject to further renewal periods of ten years. The Commission therefore recommends the amendment of section 25 of the Act to reflect this recommendation.

The Commission also considered the issue of requiring proof of use before renewals can be effected. In the United States of America for instance, trade mark registrants are required to file proof of use of the trade marks after five years. Many other countries do not require such filing but rely upon third parties to seek cancellations of trade marks that are not in use. In Malawi, the Registrar can remove a trade mark from the register if there has been no *bona fide* use of the trade mark during the three years immediately preceding its removal⁴⁹ and section 31(1) (b) also provides that a trade mark can be removed from the register if a continuous period of five years or longer elapses during which there is no *bona fide* use of the trade mark. The Commission therefore recommends that the status quo be maintained by retaining section 31 of the Act subject to modification for better presentation.

The Commission therefore recommends the adoption of the following provision—

⁴⁵ See Section 25

⁴⁶ See Article 18 of TRIPS

⁴⁷ USA for instance. Section 8 of Lanham (Trademark) Act (15 U.S.C.)

⁴⁸ For instance, Botswana, Kenya, UK, Mauritius, Trinidad and Tobago, Bangui Agreement etc

⁴⁹ See Section 25

Duration of rights and renewal of registration

... —(1) The registration of a trade mark shall be for a period of ten (10) years but may be renewed from time to time in accordance with this section.

(2) The Registrar shall, on application made by the proprietor of a registered trade mark in the prescribed manner and within the prescribed period, renew the registration of the trade mark for periods of ten (10) years from the date of expiry of the registration.

(3) Where a trade mark is removed from the register for failure to renew, it shall nevertheless, for the purpose of any application for the registration of a trade mark during a period of one (1) year after the date of removal, be deemed to be a trade mark that is already on the register.

(4) Subsection (3) shall not apply where the Registrar or the Tribunal in the event of an appeal from the decision of the Registrar, is satisfied either that—

(a) there has been no trade use of the trade mark that has been removed during the three (3) years immediately preceding its removal; or

(b) no deception or confusion is likely to arise from the use of the trade mark that is the subject of the application for registration by reason of any previous use of the trade mark that is removed.

(5) The Registrar may, on application by the proprietor of the trade mark within a period of one year, restore a trade mark that has been removed unless if it was not used in the three (3) years preceding its removal.

NON USE OF A TRADE MARK

The Commission observed that the issue of use and non use of a registered trade mark applies not only on renewals but generally and consequently, there should be separate provisions regarding use and non use of trade marks. The Commission resolved that it makes good sense to deregister trade marks that have not been used on the market for a continuous period of five years after registration. The Commission also noted the provisions of section 35 of the Act which provides that for purposes of proving use of a registered trade mark, the Registrar or the Tribunal may accept use of an associated registered trade mark or the trade mark with additions or alterations not substantially affecting its identity, as the use that is required to be proved.⁵⁰ The Commission observed that the provision makes good law and recommends its retention in the proposed law. The Commission therefore recommends the adoption of a new provision on non use

⁵⁰ For example use of the trade mark “coke light” or “Carlsberg green” may be accepted as use of the coca cola and Carlsberg trade marks respectively because of their association.

of a trade mark which shall include the retained section 35 as a subsection to this new provision. The new provision shall read as follows—

Non use of a trade mark ... —(1) **The Registrar may, on application by any interested person, remove a trade mark from the register if he is satisfied that the trade mark has not been used in relation to the goods or services for a continuous period of five (5) years after registration.**

(2) **Where under this Act use of a registered trade mark is required to be proved for any purpose, the Registrar, or the Tribunal in the event of an appeal from a decision of the Registrar, may accept use of an associated registered trade mark, or of the trade mark with additions or alterations not substantially affecting its identity, as use of the trade mark.**

(3) **The use of the whole of a registered trade mark shall for the purposes of this Act, be deemed to be also a use of any registered trade mark, being a part thereof, registered in the name of the same proprietor.”**

INFRINGEMENTS AND REMEDIES

Infringement involves the use in the course of trade of an identical or similar sign in relation to the goods or services for which it is registered, or similar goods, or even dissimilar goods if additional criteria are satisfied.⁵¹ One of the weaknesses of the Act is that it does not precisely spell out grounds of infringement. Grounds of infringement are mostly inferred from the rights conferred by registration. This is further made difficult by the division of the Register into several parts with different sets of rights. Modern practice in other jurisdictions is to clearly identify what would constitute infringement of a registered trade mark. These grounds of infringement are similar across many jurisdictions as they arise from analogous trade mark rights. Examples are the grounds of infringement described in the Botswana or Mauritian legislation.

The Commission also noted that there are some acts of infringement that do not necessarily arise from rights conferred by registration. Such acts include dilution of someone else’s registered mark which can cause injury to business. Dilution normally involves using a well established trade mark for dissimilar goods or services which usually has the effect of not only taking unfair advantage of the mark’s distinctive character but also causing detriment and diminishing the value of the particular trade mark. An example is found in the US case of *Grey v Campbell Soup Co.*⁵² where it was held that the use of the mark DOGIVA on dog biscuits ‘diluted’ the mark GODIVA for chocolates and that although there was little likelihood of confusion, the distinctiveness and prestige of the GODIVA

⁵¹ J. Phillips & A. Firth, (4thEd) Introduction to Intellectual Property Law, Oxford University Press 2006 pg 323

⁵² 231 USPQ 562 (CD Calif 1986)

mark would be diminished. Also in the case of *Souza Cruz SA v Hollywood SAS*⁵³ it was held that detriment would occur to the well known mark where it is linked with goods of poor quality or which evoke undesirable or questionable mental associations which conflict with the associations or image generated by legitimate use of the trade mark by its proprietor and also where it is linked with goods which are incompatible with the quality and prestige associated with the trade mark, even though it is not a matter of inappropriate use of the trade mark in itself.⁵⁴

The Commission took cognisance of the provisions in the United Kingdom Trade Marks Act, the Botswana Act and those of the South African Trade Marks Act and observed that they offer good guidance on grounds of infringements.

Having identified the various acts of infringement to a trade mark right, the Commission felt the law would be more complete if it also prescribes remedies available to trade mark owners in case of infringement. The TRIPS Agreement makes provision for remedies that are available to a right holder such as; an injunction ordering a party to desist from an infringement;⁵⁵ preventing goods from entering the channels of commerce;⁵⁶ payment of damages adequate to compensate for the injury the right holder has suffered⁵⁷ including recovery of profits and right holders expenses such as attorney fees;⁵⁸ and also an order that the goods that have been found to be infringing be disposed, without compensation of any sort, outside the channels of commerce or destruction⁵⁹ and seizure of implements which have been used in the creation of the infringing goods.⁶⁰

PROTECTION AGAINST UNFAIR COMPETITION

The Paris Convention for the Protection of Industrial Property requires its member countries to provide for the protection of Industrial Property against unfair competition. Article 10*bis* is specifically directed against acts of unfair competition that are contrary to honest practices in industry or commerce. It has been stated that protection against unfair competition supplements the protection of inventions, industrial designs, trade marks and geographical indications.⁶¹

The Commission noted that there is a Competition and Fair Trading Act⁶² but was quick to observe that the Act does not provide the kind of protection envisaged by Article 10*bis* of the Paris Convention. The Commission also noted

⁵³ (2002) ETMR 64 at para 86

⁵⁴ See also *Intel Corporation v Sihra* (2004) ETMR 44 where the mark intel-Play was used in relation to children's toys and was successfully challenged by Intel Corporation, the well known semi-conductor manufacturer, on the ground that the use on the intel mark is commonly associated with high grade computer electronics.

⁵⁵ See Article 44

⁵⁶ *Ibid*

⁵⁷ See Article 45

⁵⁸ *Ibid*

⁵⁹ See Article 46

⁶⁰ *Ibid*

⁶¹ See Understanding Industrial Property, WIPO Publication page 15 available at www.wipo.int/publications

⁶² Cap 48:09 of the Laws of Malawi

that most modern legislation on Industrial Property have a part specifically dealing with acts of unfair competition.⁶³

In light of this background, the Commission resolved that it is important that the proposed law should have provisions guarding against acts of unfair competition. Looking at pieces of legislation from other jurisdictions, it was observed that the provisions are more or less the same as article 10*bis* of the Paris Convention. However, the Commission was again quick to observe that such pieces of legislation were industrial property statutes covering all branches of intellectual property in this area. Since the Commission is reviewing the law relating to trade marks only, it was resolved that in the context of trade marks, only those acts of unfair competition that relate to trade marks should be provided for in this proposed law.

The Commission therefore proposed the adoption of a new Part covering matters of infringements, unfair competition and attendant remedies.

PART..... — INFRINGEMENT AND UNFAIR COMPETITION

Infringement of a trade mark ... A person who is not a proprietor of a registered trade mark infringes the rights of the owner of the registered trade mark if he—

(a) affixes the registered trade mark or similar distinctive sign on goods for which the trade mark has been registered, on goods associated with the services for which the trade mark has been registered or on containers, wrapping or packaging of such goods;

(b) suppresses or distorts the trade mark after it has been affixed on the goods for which the trade mark has been registered for commercial purposes;

(c) produces, sells, offers for sale, distributes or stocks labels, containers, wrapping, packaging or any other material on which the trade mark is reproduced;

(d) refills or re-uses for commercial purposes, labels, containers, wrapping, packaging or any other material bearing the trade mark;

(e) uses in the course of trade, a sign that is identical or similar to the trade mark in respect of any goods or services, where such use may cause a risk of confusion or association with the registered trade mark;
or

(f) uses in the course of trade, a sign identical or similar to the trade mark in respect of any goods or services where such use may cause unfair economic

⁶³ Examples are Botswana, Mauritius, Trinidad and Tobago, and India

prejudice to the registered owner through dilution of the distinctive character or advertising value of the trade mark, or an unfair advantage being taken from the reputation of the registered mark or of its holder.

Remedies on infringement ... Where a trade mark registered under this Act has been infringed, a court may grant the proprietor—

(a) an injunction;

(b) an order for removal of the infringing mark from all material and, where the infringing mark is inseparable or incapable of being removed from the material, an order that all such material be delivered up to the proprietor;

(c) destruction of any infringing product, article or product of which the infringing product forms an inseparable part;

(d) seizure and forfeiture of any materials and implements used in the creation of the infringing goods;

(e) damages, or an account of the profits derived from the infringement including expenses incurred in curtailing the infringement; or

(f) in lieu of damages, at the option of the proprietor, a reasonable royalty which would have been payable by a licensee for the use of the trade mark concerned, including any use which took place after advertisement of the acceptance of an application for registration and which, if taking place after registration, would amount to infringement of the rights acquired by registration.

Acts of unfair competition ... —(1) The Court may, on the request of—

(a) a right holder protected under this Act,

(b) a competent authority,

(c) an interested person or association; or

(d) an interested producer, manufacturer or trader,

grant an injunction to prevent an act of unfair competition, award damages or grant any other remedy as the court may deem appropriate.

(2) For purposes of this Act, any act of competition which is contrary to honest practices in industrial or

commercial matters shall constitute an act of unfair competition.

(3) The following, in particular, shall be deemed to constitute acts of unfair competition—

(a) any act of such a nature as to create confusion by any means whatever with the establishment, the goods or the industrial or commercial activities of a competitor; or

(b) the making of a false allegation in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities of a competitor.

COUNTERFEITING

Infringement of trade mark rights is a matter that ordinarily falls within the realm of civil law.⁶⁴ Also in Malawi, reliefs for trade mark infringement are available under civil law.⁶⁵ Recent practice in other jurisdictions has been to criminalize certain trade mark infringements that amount to counterfeiting. The reason is that a counterfeit is essentially a forgery of the genuine trade mark and therefore justifies the imposition of stronger remedies including criminal penalties for intentional infringement. Counterfeits may be hazardous to health as most often they do not comply with quality and safety guarantee standards. Thus, where a person intentionally uses and infringes a trade mark with a view to gaining for himself or another or with a view of causing loss to the owner of a trade mark, he may be liable for an offence. One major concern by users of trade mark law in Malawi, especially those in the manufacturing industry, is that at national level, there has in recent times been a proliferation of counterfeit products causing losses and in some cases closing down of certain industries. The worsening situation of counterfeit products on the market led the Ministry responsible for industry and trade to initiate the Anti-Counterfeit Policy in order to protect the industry as well as consumers who are placed at risk by consumption and use of counterfeit products.⁶⁶ The recommendation of the draft Policy was that the Trade Marks Act should create criminal offences for trade mark violations that amount to counterfeiting.

The Commission observed that under Part XI of the Trade Marks Act, there are just a few offences created which have no bearing on the problem of counterfeit products.

⁶⁴ In the UK, where there is blatant infringement of a trade mark, such cases are dealt with by way of summary judgment under CPR 24

⁶⁵ See *Bowler Beverages Company Limited v Tradekings Limited*, Supra Article 44 and 44 of TRIPS also recognize injunctions and damages as available remedies for infringements of intellectual property rights.

⁶⁶ The policy is yet to be adopted by Government

The offences created are making a false entry in the register,⁶⁷ falsely representing a trade mark as being registered⁶⁸ and deceiving or influencing the Registrar.⁶⁹ The penalties prescribed for these offences are a fine of 50 Pounds and imprisonment for six years.

The Act then goes to provide for a general offence as follows:

*“save where otherwise provided in this Act, any person who is guilty of an offence under this Act shall be liable to a fine of 500 Pounds and to imprisonment for three years.”*⁷⁰

After reflecting on these offences, the Commission resolved that these offences be retained but the penalties should be stiffer than at present. In that regard, the Commission recommends that the offence of making a false entry in the Register under section 68 should attract a penalty of seven years imprisonment or a fine of three million Kwacha and the offence of falsely representing a trade mark as being registered under section 69 should attract a penalty of ten years imprisonment or a fine of five million Kwacha. The offence of deceiving or influencing the Registrar or an officer in the Trade Marks Office under section 70 should attract a penalty of seven years imprisonment or a fine of three million kwacha.

The Commission also agreed that the new law should create criminal offences for willful trade mark violations; especially for purposes of gain. The Commission noted that the draft Anti-Counterfeit Policy recommends stringent measures for trade mark infringements that amount to counterfeits. It was thus agreed that in order to be in line with the proposed Policy and also considering the outcry that the industry in Malawi has made against the proliferation of counterfeits, convictions of willful trade mark violation with a view to making profit should carry heavy punishment in order to protect Malawi’s small industry and consumers from the malpractice. This action is also sanctioned by the TRIPS Agreement as it provides in article 61 that:

“Members shall provide for criminal procedures and penalties to be applied at least in cases of wilful trademark counterfeiting or copyright piracy on a commercial scale. Remedies available shall include imprisonment and/or monetary fines sufficient to provide deterrent, consistently with the level of penalties applied to crimes of corresponding gravity. In appropriate cases, remedies available shall include seizure, forfeiture and destruction of the infringing goods and any other materials and implements the predominant use of which has been in the commission of the offence...”

In this regard, the Commission further noted that an attempt to create criminal offences for trade mark violation was already made in the Merchandise

⁶⁷ See Section 68

⁶⁸ See Section 69

⁶⁹ See Section 70

⁷⁰ See Section 72

Marks Act.⁷¹ The Penal Code also created offences for counterfeit trade marks.⁷² The problem is that such offences are misdemeanors whilst this Report is recommending such offences to be felonies. The Commission thus recommends that in order to avoid contradictions in these laws and also considering the fact that these offences relate to trade marks, offences for trade mark violations should be contained in the Trade Marks Act as is the case in other jurisdictions such as Kenya. To this effect, the Commission recommends the repeal of sections 387 and 388 of the Penal Code and instead the Commission recommends the following new provisions to be inserted in the proposed Trade Marks Act—

PART — OFFENCES AND OTHER PROHIBITED ACTS

Falsification of
entries in
register

... **A person who—**

(a) makes or causes to be made a false entry in the register, or a writing falsely purporting to be a copy of an entry in the register; or

(b) produces or tenders or causes to be produced or tendered in evidence any such writing,

commits an offence and upon conviction shall be liable to imprisonment for a term of seven (7) years and to a fine of three million Kwacha (K3,000,000.00).

Falsely
representing a
registered
trade mark

... **—(1) A person who makes a representation—**

(a) with respect to a trade mark not being a registered trade mark to the effect that it is a registered trade mark;

(b) with respect to a part of a registered trade mark not being a part separately registered as a trade mark to the effect that it is so registered;

(c) to the effect that a registered trade mark is registered in respect of any goods or services in respect of which it is not registered; or

(d) to the effect that the registration of a trade mark gives an exclusive right to the use thereof in any circumstances in which, having regard to the limitations entered on the register, the registration does not give the right,

commits an offence and shall upon conviction be liable to imprisonment for a term of ten (10) years and a fine of ten million Kwacha (K10,000,000.00)

⁷¹ Cap 49:04 of the Laws of Malawi. See sections 4-9 of the Act. Note that the Trade Description Bill that was Published in 1978 but never came into force also had provisions to criminalize conduct violating trade marks under articles 5, 6, 8, 10.

⁷² Section 388 of the Penal Code Cap 7:01 of the Laws of Malawi

(2) For the purposes of this section, the use in Malawi in relation to a trade mark of the word “registered” or of any other word referring, whether expressly or impliedly, to registration shall be deemed to import a reference to registration in the register, except where the word—

(a) is used in physical association with other words delineated in characters at least as large as those in which the word is delineated and indicating that the reference is to registration as a trade mark under the law of a country outside Malawi, being a country under the law of which the registration referred to is in fact in force;

(b) is (being a word other than the word “registered”) of itself such as to indicate that the reference is to such registration as last aforesaid; or

(c) is used in relation to a mark registered as a trade mark under the law of another country and in relation to goods to be exported to that country.

Deceiving or
influencing
the Registrar

... —(1) Any person who—

(a) for the purpose of deceiving the Registrar or any other officer of the Trade Marks Office in the execution of this Act; or

(b) for the purpose of procuring or influencing the doing or omission of anything in relation to this Act,

makes or submits a false statement or representation, whether orally or in writing, knowing the same to be false commits an offence and shall, upon conviction, be liable to imprisonment for seven (7) years and to a fine of three million Kwacha (K3,000,000.00).

Forgery and
other
prohibited acts

... —(1) A person who—

(a) forges a registered trade mark or falsely applies to any goods or in relation to services any registered trade mark or any mark so nearly resembling a registered trade mark as to be calculated to deceive;

(b) falsely applies a registered trade mark to goods or in relation to services;

(c) makes a die, block, machine or other instrument for the purpose of forging a registered trade mark;

(d) disposes of, or has in his possession, a die, block, machine or other instrument, for the purpose of forging, or of being used for forging, a registered trade mark;

(e) without the consent of the proprietor of a registered trade mark—

(i) makes, imports or has in his possession any device for applying that registered trade mark to goods or in relation to services or representation of that registered trade mark;

(ii) makes any reproduction, replica or representation of that registered trade mark; or

(iii) imports any reproduction, replica, or representation of that registered trade mark otherwise than on goods and services to which they have been applied; or

(f) makes, imports or has in his possession—

(i) any device for applying to any goods or in relation to any services a mark so nearly resembling a registered trade mark that is likely to deceive or cause confusion;

(ii) any reproduction, replica or representation of a mark, so nearly resembling a registered trade mark that is likely to deceive or cause confusion for the purpose of applying it to goods or in relation to services contrary to the provisions of this Part; or

(iii) any covering bearing a mark so nearly resembling a registered trade mark that is likely to deceive or cause confusion in relation to goods and services contrary to the provisions of this Part,

commits an offence and shall, upon conviction, be liable to imprisonment for ten (10) years and a fine of five million Kwacha (K5,000,000.00) and in addition, the court shall order the seizure or destruction of any goods or any instruments used in the commission of this offence or an order stopping the provision of services to which the offence relates.

(2) It is a sufficient defence to any charge under paragraph (b) or (c) of subsection (1) if a person concerned proves that—

(a) in the ordinary course of his business he was employed on behalf of other persons either to make dies, blocks, machines or other instruments for making or being used in making trade marks or as the case may be to apply trade marks to goods or in relation to services and that in the case which is the subject of the charge, he was so employed by some other person and was not interested in the goods or services by way of profit or commission dependent on the sale of the goods or performance of the services; or

(b) on request made by a police officer, he gave to the police officer information in his possession with respect to the person on whose behalf the trade mark was applied.

Prohibition of sale or importation of goods or provision of services with forged registered trade mark

... —(1) Subject to the provisions of subsection (2) a person who sells, imports, exports, lets for hire, distributes goods or performs any services to which—

(a) a forged registered trade mark is applied; or

(b) a registered trade mark is falsely applied,

commits an offence and shall upon conviction be liable to imprisonment for ten (10) years and to a fine of five million Kwacha (K5,000,000.00).

(2) It is a defence to any charge under subsection (1) if the person concerned proves that having taken all reasonable precautions against committing an offence under this section and on request made by a police officer or customs officer, he gave to the officer all the information in his possession with respect to the person from whom he obtained such goods.

Aiding and abetting offence

... Any person who within Malawi procures, counsels, aids, abets or is accessory to the commission outside Malawi of any act which, if committed within Malawi would be an offence under this Part, commits an offence and shall upon conviction be liable to imprisonment for ten (10) years or to a fine of five million Kwacha (K5,000,000.00)

BORDER MEASURES

Apart from the creation of offences and penalties for trade mark violations, the TRIPS Agreement also requires member countries to introduce border measures in order to seize products infringing intellectual property rights at the border before entering the channels of commerce where it can be difficult to trace the origin of the infringing products.⁷³

Legal actions taken by a trade mark owner against an infringer are quite useful. However, at that time, the infringing goods are already in the country and in the stream of commerce. In this case, the legal action seeks to mitigate any loss suffered by the trade mark owner. The principle behind border measures is to stop infringing goods at the country's borders before they are introduced into the country. Since the measures are taken at the border, the role of custom authorities is crucial. A Customs Authority is supposed to identify and prevent unauthorised imports by restricting the importation of infringing merchandise if the articles or packaging bear a trade mark registered with the Registrar of Trade Marks.

The Commission was of the view that the proposed law needs to provide for the role of customs officials in seizing infringing goods at the port of entry. Recourse was had to the provisions of the Common Market for Eastern and Southern Africa (COMESA) Treaty to which Malawi is a party with regard to the elimination of non-tariff barriers on common market goods. These provisions place an obligation on member states to remove all existing non-tariff barriers to the importation into member states of goods originating in the other member states.⁷⁴ Malawi is also a member of the Southern Africa Development Community (SADC) to which it has a similar obligation to eventually eliminate custom duties and non-tariff barriers to trade of goods originating from fellow member states.⁷⁵

The Commission observed that unlike the European Union which has all the appropriate structures and a law applicable in all member countries already in place and operational, the SADC and COMESA Regions are yet to reach that level of full integration such that it would not be in the interest of Malawi to open up the borders for all manner of goods originating from the Regions without checking whether they infringe existing and recognized trade mark rights or indeed intellectual property rights in general. In this regard, the Commission agreed that goods originating from member states of these regional treaties shall still be seized at the border if they are found to infringe the intellectual property rights of others.

The Commission also recommends that owners of registered trade marks should give notice to customs authorities about their registered trade marks in order for the customs officials to easily identify infringing goods coming into the

⁷³ Article 51

⁷⁴ Article 49 of the COMESA Treaty

⁷⁵ Preamble to the Rules of Origin for the SADC Free Trade Area.

jurisdiction. Since, in some cases, the customs authorities will act based upon the information provided by the trade mark owner, it was also agreed that the trade mark owner should bear the responsibility for wrongful detention by the customs authorities if they had acted in good faith and that the trade mark owner should have a further responsibility of indemnifying the customs authorities for any expenses incurred from the wrongful detention of the goods. These cautious measures are also sanctioned by the TRIPS Agreement.⁷⁶ However, small quantities of infringing goods of a non commercial nature contained in traveler's personal luggage or sent in a small consignment may be exempt from seizure.⁷⁷ The Commission therefore recommends the adoption of the following provisions—

Importation of infringing goods, material or articles ... —(1) In this Part, “Commissioner General” shall have the meaning assigned to it in section 2 of the Malawi Revenue Authority Act.

Cap 41:02 (2) A proprietor or licensee of a registered trade mark may give notice in writing to the Commissioner General that he is the proprietor or a licensee of the registered trade mark.

(3) Upon receipt of the notice, the Commissioner General shall take all necessary steps to ensure that imported goods, materials or articles are not infringing the registered trade mark.

(4) When a notice is in force under this section, the importation of the goods to which the notice relates, otherwise than by a person for his private and domestic use, is prohibited; but a person is not by reason of the prohibition liable to any penalty other than forfeiture of the goods.

(5) In addition to the notice given under subsection (2), the proprietor or licensee of the registered trade mark may, from time to time, inform the Commissioner General that in relation to the registered trade mark, infringing goods, materials or articles are expected to arrive in Malawi and that he requests the Commissioner General to treat them as prohibited goods.

(6) When giving notice under subsection (5), the proprietor or licensee shall specify the time when, and the place where, the infringing goods, materials or articles are expected to arrive in Malawi.

⁷⁶ See Article 56 of TRIPS

⁷⁷ See Article 60 of TRIPS

Power of
Commissioner
General to
make
regulations

... —(1) The Commissioner General may make regulations prescribing the form in which notice is to be given under section..... and requiring a person giving notice to—

(a) furnish the Commissioner General with such information or evidence as may be specified in the regulations when giving notice under section.....(2) and (5); and

(b) comply with such other conditions as may be specified in the regulations.

(2) The regulations may, in particular, require a person giving the notice to—

(a) furnish sufficient information and particulars of the trade mark;

(b) pay such fees in respect of the notice as may be specified by the regulations;

(c) give such security as may be so specified in respect of any liability or expense which the Commissioner General may incur in the process of protecting the trade mark; or

(d) indemnify the Commissioner General against any such liability or expense, whether security has been given or not.

Power of
Commissioner
General to
disclose
information

... Where the Commissioner General obtains information relating to infringing goods, material or articles for the purposes of, or in connection with, the exercise of his functions in relation to imported goods, the Commissioner General may disclose the information for the purpose of facilitating the exercise by any person of any function in connection with the investigation or prosecution of an offence under this Act.

WELL KNOWN, COLLECTIVE AND CERTIFICATION MARKS

Well Known Marks

The Trade Marks Act protects well known marks by allowing the proprietors to register such marks as defensive marks in class D.⁷⁸ It does not however spell out factors that are to be considered in determining whether a trade mark is well known or not.

⁷⁸ Section 32 of the Trade Marks Act

The TRIPS Agreement requires member states to provide for adequate protection for marks with a reputation.⁷⁹ The Paris Convention for the Protection of Industrial Property also places an obligation on member states in their own right, or at the request of an interested party, to refuse or cancel the registration and to prohibit the use of a trade mark which constitutes a reproduction, imitation, translation or one liable to cause confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country.⁸⁰ This is in relation to both goods and services and also extends to goods or services which are not similar to those in respect of which the trade mark is registered so long as use of that trade mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark and that the use of such mark would likely damage the interests of the owner of the trade mark.⁸¹ Hence, the rationale for the protection of well known marks is that even if the goods or services registered for are not identical or similar, there may be a likelihood of confusion in the mind of the consumer that there exists a connection between the business of the owner of the well known trade mark and the other person's goods or services bearing the well known mark. The Commission realized that there is need to clearly define the factors to be taken into account when determining whether a trade mark is well known or not. Recourse was therefore had to the World Intellectual Property Organisation (WIPO) Joint Recommendations Concerning the Provisions on the Protection of Well known Marks.⁸² The Joint Recommendations set out factors to be considered when determining whether a mark is well known. Research on the laws and cases related to treatment of well known marks in other jurisdictions has also shown that there are common factors that have evolved as guidelines.⁸³ The Commission observed that all these offer good guidelines for determining whether a mark is well known or not.

Further, the Commission recommends that the protection of well known marks should extend also to those marks that are not registered but are well known in Malawi.

Collective Marks

The Trade Marks Act does not currently protect collective marks. Collective marks are defined as marks distinguishing the goods or services of members of an association which is the proprietor of the mark from those of other undertakings.⁸⁴ The Commission observed that the protection of these marks is

⁷⁹ Article 16 (2)

⁸⁰ Article 6bis of Paris Convention.

⁸¹ See Article 16 (3) of TRIPS

⁸² Adopted by the Paris Union for the Protection of Industrial Property and General Assembly of the World Intellectual Property Organisation (WIPO) on 29th September, 1999 at Geneva

⁸³ See Section 43 (c) of the United States Lanham Act, Article 84 of the Cartagena Agreement, Article 67 of the Industrial Property Code of Brazil. The Panashiba Case , 1996 Trade Marks Registry of United Kingdom; and also General Motors Corporation v Yplon SA (Case C-375/97) [2000] RPC 572 European Court of Justice. For particular texts, see F.W. Mostert, (2nd Edtn) Famous and Well-Known Marks, International Trademark Association, New York, 2004

⁸⁴ UK Trade Marks Act Section 49

important in ensuring that goods or services belonging to members of an association are distinguishable on the market. This observation was made in view of the fact that Malawi has a number of associations dealing with and trading in a particular product.⁸⁵ In that vein collective marks cannot be registered in any individual's name but rather must be registered in the association's name. The Commission thus recommends that collective marks should be registrable but that they should be accompanied by rules governing their use and that the Registrar should be notified of any changes regulating the use of the mark.

Certification Marks

A certification mark is a mark used to distinguish goods or services that comply with a set of standards and have been certified by a certifying authority. It is therefore a mark that indicates the origin, quality, means of manufacture or other inherent characteristics by which goods or services, irrespective of their provider, are clearly identifiable or distinguishable from others.⁸⁶ The Commission noted that an important requirement for the registration of a certification mark is that the entity which applies for registration is competent to certify the products concerned. As such certification marks are usually registered by trade associations and such associations are expected to police the use of the certification mark for the benefit of those who are entitled to use it. In the United Kingdom, such marks are never registered by the person who intends to trade with the mark himself. An example of a certification mark in Malawi is the "MBS" symbol found on beverage bottles and other food products. This mark was registered by the Malawi Bureau of Standards. An international example is the "woolmark" symbol which signifies that products on which it is applied are made from 100% new wool.

The Commission noted that currently, the law makes provision for the registration of certification marks⁸⁷ and observed that the provision is necessary for the maintenance of quality standards of goods and services in Malawi. It was however observed that the current provision has too much detail that should not have been provided in the principle Act. In the United Kingdom Trade Marks Act 1994, details pertaining to certification marks have been put in a schedule to the Act.⁸⁸ The Commission recommends the retention of section 42 subject to modification.

The Commission therefore recommends the adoption of the following provisions under this Part—

⁸⁵ Examples are Mulanje Tea Growers Association, Dwangwa Cane Growers Association and growers of Mzuzu Coffee

⁸⁶ Phillips, J; Firth, A (4th Edt) Introduction to Intellectual Property Law, Oxford University Press, 2006

⁸⁷ See Section 42 of the Trade Marks Act

⁸⁸ See Schedule 2 of the UK Trade Marks Act, 1994

**PART ... —WELL KNOWN, COLLECTIVE AND
CERTIFICATION MARKS**

Protection of
well known
mark

... A trade mark shall not be registered—

(a) if it is identical with, confusingly similar to, or constitutes a translation of, a trade mark or a trade name which is well-known in Malawi as being already the mark of a person other than the applicant for registration and used for identical or similar goods or services; or

(b) if it is identical with, or confusingly similar to, or constitutes a translation of, a trade mark which is registered with respect to goods or services which are not similar to those with respect to which registration is applied for:

Provided that use of the trade mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well known mark and that the interests of the owner of the well known mark are likely to be damaged by such use.

Factors for
consideration
on well
known marks

... —(1) In determining whether a mark is a well-known mark, the Registrar shall take into account any circumstances from which it may be inferred that the mark is well known.

(2) Without prejudice to the generality of subsection (1), the Registrar may consider any of the following factors in determining whether a mark is well known or not—

(a) the degree of knowledge or recognition of the mark in the relevant sector of the public;

(b) the duration, extent and geographical area of any use of the mark;

(c) the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods or services to which the mark applies;

(d) the duration and geographical area of any registrations or any applications for registration of the mark to the extent that they reflect use or recognition of the mark;

(e) the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities;

(f) the commercial value associated with the mark;

(g) the degree of inherent or acquired distinctiveness of the mark;

(h) the degree of exclusivity of the mark and the nature and extent of use of the same or a similar mark by third parties;

(i) the nature of the goods or services and the channels of trade for the goods or services that bear the mark; and

(j) the degree to which the reputation of the mark symbolises quality of goods.

Collective
marks

... —(1) The Registrar may, on application, register a mark as a collective mark.

(2) An application for registration of a collective mark shall designate the mark as a collective mark and the application shall be accompanied by a copy of rules governing the use of the mark.

(3) For the purposes of subsection (2), “rules” means the rules made by a person under whose control the collective mark may be used.

(4) The registered owner of a collective mark shall notify the Registrar, in writing, of any changes made in respect of the rules governing the collective mark within sixty (60) days of such changes taking place.

(5) Subject to subsections (2), (3) and (4) the provisions of this Act shall apply to collective marks and where the term “trade mark” is used in the Act, it shall be construed to include the term “collective mark.”

(6) For purposes of this section, a collective mark is a mark that is capable of distinguishing, in the course of trade, goods or services of persons who are members of an association from goods or services of persons who are not members of such association.

Certification
marks

... —(1) The Registrar may, on application, register a mark as a certification mark.

(2) A certification mark shall not be so registrable in the name of a person who carries on a trade in goods or services of the kind certified.

(3) The provisions of this Act shall apply to certification marks subject to the provisions of the first schedule.

(4) For purposes of this section, a certification mark is a mark adapted to distinguish in the course of trade goods or services certified by any person in respect of origin, material, mode of manufacture, quality, accuracy, performance of services or other characteristic from goods or services not so certified.

GEOGRAPHICAL INDICATIONS

The TRIPS Agreement requires members to provide adequate protection for geographical indications.⁸⁹ Geographical indications (GIs) are a form of intellectual property related to products that derive their reputation from association with a particular geographical area. Geographical indications mostly consist of the name of the place of origin of goods; for example, “Champagne”, “Tequila” and “Havana.” When a person hears these names, it is the products and not the places from where the products originate that come to mind. The purpose of geographical indication is therefore to point to a specific place or region of production that determines the characteristics of the product that originates from that place of origin.⁹⁰ Justification for protection of GIs is similar to that of other intellectual property rights in that it prevents the free riding on another’s reputation and further protects misleading use of a GI and dilution of product reputation of specific geographical regions.⁹¹

The TRIPS Agreement extends geographical indications protection to all products. The TRIPS Agreement requires member states to prevent the use of any means that indicates or suggests that goods originate in a geographical locality other than its true place of origin. It also requires member states to protect against use that constitutes unfair competition within the meaning of Article 10*bis* of the Paris Convention. The TRIPS Agreement further requires extra protection for wines and spirits originating from a particular geographical area.

The Commission observed that Malawi has some products whose names could be registered as geographical indications like the famous “Chambo” fish which is said to be found only in Lake Malawi and the “Mzuzu coffee” among other products, which have become renowned brands. However, there is no mechanism under the law for the registration of geographical indications. The Commission was therefore of the view that the new law should have a specific

⁸⁹ See Article 22 (2) of TRIPS

⁹⁰ See Kanja G.M Intellectual Property Law, Paper presented at the Annual Conference of the Association of Law Reform Agencies of Eastern and Southern Africa, Chrisma hotel, Livingstone, Zambia 14 - 18 April, 2008 (unpublished)

⁹¹ See Otieno-Odek, Intellectual Property: Protection of Geographical Indications (GI) in Kenya and the TRIPS Agreement. Datony Enterprises, Nairobi, 2005 pg 2

part dealing with Geographical Indications addressing issues such as, definition, registration, grounds for refusal, opposition to registration, rights conferred by registration, duration of rights and acts of infringements

On definition, the Commission observed that the starting point should be the definition contained in the TRIPS Agreement but that it should be put more broadly to enhance protection of geographical indications. The Commission therefore recommends the adoption of the following definition—

“geographical indication” means an indication which identifies goods or products as originating in the territory of a country, region or locality in that territory, where a given quality, reputation or other characteristic of the product is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.

While looking at other provisions relating to geographical indications, the Commission was mindful of the fact that geographical indications, though peculiar in their nature, are essentially marks and that therefore would have to be governed by the general provisions relating to trade marks. The Commission thus recommends the adoption of the following provisions—

PART... —GEOGRAPHICAL INDICATIONS

Application of the Act in relation to geographical indications **Except as provided under this Part, the provisions of this Act shall apply to geographical indications.**

Application for registration **... An application for the registration of a geographical indication, accompanied by such fees as may be prescribed, shall be made to the Registrar in the prescribed manner and shall contain—**

(a) a request, in writing, that the geographical indication be registered;

(b) the geographical indication for which registration is sought;

(c) a description of the geographical area to which the geographical indication applies;

(d) particulars or a description of the goods to which the geographical indication applies;

(e) the quality, reputation or other characteristics of the goods for which the geographical indication is used;

- (f) a certified copy of the rules governing the use of the geographical indication; and**
- (g) such other particulars as may be prescribed by the Minister from time to time.**
- Acceptance of application** ... **—(1) Subject to section the Registrar shall, if he is satisfied that the application complies with the requirements of this Part, accept the application for registration of a geographical indication and shall, within such time and in such manner as may be prescribed, publish that application in the journal.**
- Grounds for refusal** ... **A geographical indication shall not be registered if it is—**
- (a) incapable of distinguishing goods originating from a particular territory, region or locality or does not possess characteristics attributed to that territory, region or locality in which those goods come from;**
- (b) contrary to public order or morality;**
- (c) likely to mislead the public or those in the trade as regards the geographical origin of the goods concerned, their nature or characteristics;**
- (d) in respect to goods, identical with the term usually used in common language as the common name for such goods in Malawi;**
- (e) not protected, has ceased to be protected or has fallen into disuse in its country of origin; or**
- (f) identical or similar to an existing registered trade mark or a geographical indication and is likely to confuse the public.**
- Registration of geographical indications** ... **—(1) Where the Registrar is satisfied that the application for the registration of a geographical indication satisfies the requirements of this Act, and the application for registration of the geographical indication is not opposed within the prescribed period, or the application for registration of the geographical indication is opposed but the Registrar decides in the applicant's favour, the Registrar shall—**
- (a) register the geographical indication in the Register;**
- (b) issue to the applicant, a certificate of registration; and**
- (c) publish in the Journal a reference to the registration of the geographical indication.**

(2) Where the requirements for the registration of a geographical indication are not satisfied, or an application for the registration of a geographical indication is successfully opposed, the Registrar shall refuse to register the geographical indication.

Rights
conferred by
registration

... —(1) Subject to the other provisions of this Act, the registration of a geographical indication shall give to the registered proprietor or authorized user thereof—

(a) the exclusive right to the use of the geographical indication in relation to the goods in respect of which the geographical indication is registered; and

(b) the right to obtain relief by way of injunction, award of damages or any other remedy as the court may deem fit in respect of infringement of the geographical indication as provided for under this Act.

(2) The exclusive right to the use of a geographical indication given under subsection (1) (a) shall be subject to any condition and limitation to which the registration is subject.

(3) Notwithstanding anything contained in any written law for the time being in force, any right to a registered geographical indication shall not be the subject matter of assignment, transmission, licensing, pledge, mortgage or any such other agreement unless it is assigned, transmitted, licensed, pledged or mortgaged to a producer who will produce the goods or carry out an activity within the geographical area specified in the register and who does not dilute the characteristic features of the geographical indication.

Acts of
infringement

... A registered geographical indication is infringed by a person who, not being an authorized user thereof,—

(a) uses the geographical indication by any means in the designations or presentation of goods that indicates or suggests that such goods originate in a geographical area other than the true place of origin of such goods in a manner which misleads the persons as to the geographical origin of such goods even where the geographical indication used is accompanied by disclaimers or expressions such as “kind”, “type”, “style”, “imitation” or “like”;

(b) uses the registered geographical indication for goods produced in the geographical area specified in the

register in respect of the geographical indication not possessing the quality, reputation or other characteristic specified in the register; or

(c) uses a geographical indication—

(i) identifying wines for wines, or any such product as may be prescribed, not originating in the place indicated by the geographical indication in question; or

(ii) identifying spirits for spirits, or any such product as may be prescribed, not originating in the place indicated by the geographical indication in question.

Offences ... A person who, knowingly and with intent to deceive, performs any of the acts referred to in section...., commits an offence and upon conviction shall be liable to imprisonment for five (5) years and to a fine of one million Kwacha (K1,000,000.00) if it is an individual, or to a fine of five million Kwacha (K5,000,000.00) if it is a body corporate.

INTERNATIONAL MATTERS

Malawi is currently a member of the Paris Convention for the Protection of Industrial Property⁹² and Banjul Protocol of Marks. The Banjul Protocol facilitates international registration of marks in African Regional Intellectual Property Organisation (ARIPO) member states.⁹³ Malawi is however not a member of the Madrid Agreement Concerning the International Registration of Marks of 1891 and its Protocol of 1989. The Madrid Agreements facilitate the international registration of trade marks. A Madrid Agreement application is filed with the International Bureau at World Intellectual Property Organisation (WIPO) through a receiving office, designating the countries where the applicant wants to protect the trade mark. The major advantage of the Madrid Agreement mechanism is that an applicant does not have to go to each and every country where he is seeking registration as the international bureau transmits the application to all the countries that are designated. The designated countries also gain revenue from the applications that are received from the International Bureau at WIPO. A number of countries within the ARIPO regional framework such as Zambia, Kenya and Botswana, are members of the Madrid Agreement. The Commission considered the merits and demerits of joining the Madrid system. The Commission's hands were however tied on this issue since Malawi is not a member of the Madrid Agreement.

⁹² Entered into on 20th March. 1883 and revised at Brussels on 14th December, 1900, at Washington on 2nd June, 1911, at the Hague on 6th November 1925, at London on 2nd June, 1934, at Lisbon on 31st October, 1958, and at Stockholm on 14th July, 1967 and as amended on 28th September, 1979

⁹³ Members are, Botswana, Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Sierra Leone, Sudan, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe. See www.aripo.org

However, since Malawi is a member of other treaties such as Paris Convention for the Protection of Industrial Property, Banjul Protocol on Marks, the Nice Agreement on International Classification of Marks, and the Vienna Classification for the figurative elements of marks, the commission recommends that government should pass an enabling law domesticating these treaties so that they form part of the law of the Republic. Further it was recommended that all treaties to which Malawi is a party should be listed in a schedule with powers given to the Minister to amend the schedule so that whenever Malawi accedes to a new treaty that relates to trade marks, the schedule may be amended accordingly.

The Commission therefore recommends the insertion of the following provisions—

PART...—INTERNATIONAL MATTERS

Power to
make
provision
giving effect
to treaties

... —(1) Where Malawi ratifies or accedes to any international instrument relating to trade marks, the Minister shall, by notice published in the *Gazette*, declare that Malawi has become a member to a particular instrument with effect from the date stated in such notice and shall include the international instrument in the Second Schedule.

APPEALS AGAINST DECISIONS OF THE REGISTRAR

The decision of the Registrar to grant or refuse a trade mark application whether in the first instance or following opposition proceedings is subject to appeal to, or review by the Tribunal.⁹⁴ Any aggrieved person may file a notice of appeal against a decision of the Registrar. The Registrar may also refer a matter to the Tribunal for its opinion. The Act presupposes that at any point, there will be constituted a Tribunal responsible for reviewing decisions by the Registrar if such matters are referred to it. However, there has not, in the recent past, been constituted a Tribunal that would hear appeals against decisions of the Registrar. The gap created by the absence of the Tribunal means that an aggrieved person may have to commence an action in the High Court in order to challenge a decision of the Registrar. However, owing to expenses and length of time it takes for a decision to be made by the High Court, most applicants are dissuaded from appealing against decisions of the Registrar. The result is that there is a conspicuous lack of development of a body of decisions in this area of the law that would be a source of guidance for future reference.

The Commission noted that in the United Kingdom, there is an ‘appointed person’ who reviews decisions of the Registrar.⁹⁵ The ‘appointed person’ is a

⁹⁴ Section 51 (1) of the Trade Marks Act

⁹⁵ See Section 76 (2) of the UK Trade Marks Act 1994

competent and experienced practicing lawyer who is selected whenever there is a notice of appeal against the Registrar. The appointed person would sit as a High Court Judge.

In Botswana, an appeal from the Registrar's decision lies to a Minister and if the appellant is further aggrieved, he or she may apply to a High Court.⁹⁶

In Mauritius, any person aggrieved with a decision of the "Controller" may appeal to a Tribunal and if further aggrieved, they may appeal to a Supreme Court.⁹⁷

After a lengthy debate, the Commission resolved that appeals from the Registrar should lie to an appointed Judge who will hear all appeals and shall sit as a Tribunal but the procedure will be that of High Court Commercial Division. This Judge will be appointed by the Chief Justice.

The Commission further discussed the issue of an appeal in case any party is further aggrieved by the decision of the appointed Judge. This is in light of the fact that any person has a constitutional right to have access to any court of law with jurisdiction for final settlement of legal issues.⁹⁸ It was resolved that such appeals should lie straight to the Supreme Court of Appeal because it also has jurisdiction to hear appeals from Tribunals prescribed by an Act of Parliament.⁹⁹ The Commission also noted the provisions of section 63 of the Act which confers on the Tribunal the same discretionary power as those conferred upon the Registrar under the Act and agreed that this provision should be retained. The Commission therefore recommends the adoption of the following provisions—

**PART... — ESTABLISHMENT OF AN APPEALS TRIBUNAL,
APPEALS AND OTHER LEGAL PROCEEDINGS**

Establishment of Appeals Tribunal ... —(1) **There is hereby established an Appeals Tribunal responsible for hearing appeals from the Registrar.**

(2) The Appeals Tribunal shall be presided over by a single judge appointed by the Chief Justice.

(3) The Appeals Tribunal shall, unless specifically provided for in the Act, be governed by rules of the High Court Commercial Division.

(4) Any person aggrieved by a decision of the Registrar under this Act may within thirty (30) days of such decision appeal to the Appeals Tribunal.

⁹⁶ See Section 121 of the Industrial Property Act of Botswana

⁹⁷ See Section 10 & Section 50 of Mauritius Patents, Industrial Designs and Trade marks Act 2002

⁹⁸ See Section 41 (2) of the Constitution of Malawi

⁹⁹ See Section 104 (2) of the Constitution of Malawi

(5) If a person is further aggrieved by the decision of the Appeals Tribunal, he may within twenty one (21) days appeal to the Supreme Court of Appeal.

Powers of the Appeals Tribunal ... In any appeal from a decision of the Registrar to the Appeals Tribunal, the Appeals Tribunal shall, in adjudicating on the matter, have and exercise the same discretionary powers as are conferred upon the Registrar under this Act.

AGENTS FOR REGISTRATION

Another issue that the Commission considered is the profession of trade mark agents who act for applicants in processing trade mark applications and the matters attendant thereto. Section 83 of the Act provides for registration of trade mark agents. Whilst the law provides for the registration of trade mark agents in the country, it does not provide eligibility requirements that should be satisfied before a person is registered as a trade mark agent. In the absence of that guidance, it is difficult to advise any interested persons who would like to apply as trade mark agents. Other people have sought to become trade mark agents by making an application in writing to the Minister.¹⁰⁰

In the United Kingdom and South Africa, among other countries, there is a body or an institute that regulates the profession of trade mark agents including the administration of qualifying examinations. In the United Kingdom, it is the Institute of Trade Mark Agents (ITMA) that is responsible for the task. Thus when a person qualifies with ITMA, he becomes eligible to apply for registration as a trade mark agent.

It appears however that there is an Institute of Patents and Trade Mark Agents in Malawi but it is not functioning.¹⁰¹

In this respect, the Commission recommends the resuscitation of this Institute so that people who wish to practice in this area may go to this institute for specialised training. The rationale for this recommendation is that intellectual property law, and industrial property law in particular, is a very technical subject and people need to acquire the requisite skills before they can practice as trade mark agents. Alternatively, people may have to study and pass the qualifying examinations of trade mark agents in countries that have a trade mark agent body and then seek formal admission from the Minister to practice as such in Malawi.

The Commission further noted that the gap created by the lack of such a body is currently filled by legal practitioners who under section 85 are privileged to practise and describe themselves as trade mark agents.

¹⁰⁰ The application is made under the Patents Act since if one is admitted as a Patent agent, he or she is also privileged to practice as a trade mark agent by virtue of section 85 of the Trade Marks Act.

¹⁰¹ Sentiments by legal practitioners practicing as trade mark agents when consulted by the Law Commission.

Despite this being the case, the Commission felt the way the provision is drafted gives room to legal practitioners and any patent agent whether Malawian or not to practice as trade mark agents. The Commission recommends that the practice of trade mark agents should be restricted to legal practitioners entitled to practice in Malawi and only trade mark agents who are admitted to practice as such in Malawi.

The Commission also recommends the repeal of section 83 of the Trade Marks Act since this served as a transitional provision necessary in the Trade Marks (Amendment) Act, 1962 and that now it does not serve any practical purpose due to the lapse of time. It was also observed that this provision allowed trade mark agents who were not resident in Malawi (then Nyasaland) to be registered upon application as trade marks agents. Consequently Malawi has had trade mark agents who are not resident in Malawi but are allowed to practice as trade mark agents. The commission found this position unacceptable.

The Commission also considered the issue of whether an individual can process a trade mark application in his own right. The Commission noted that individuals are free to file applications but that they do this at their own risk because this is a very technical area which requires that a person should have the requisite expertise. However, it was resolved that foreign applicants shall have to use a local agent to process their application.

The Commission therefore recommends the insertion of the following provisions....

PART... —TRADE MARK AGENTS

Trade mark
agents

... —(1) Subject to subsection (2), where an act has to be done under this Act by a person in connection with registration of a trade mark, geographical indication, collective mark or of any other thing which may be done under this Act, such person may either do it himself or through a trade mark agent.

(2) Where an applicant's ordinary residence or principal place of business is outside Malawi, he shall be represented by a trade mark agent resident and entitled to practice in Malawi.

(3) A person shall be qualified to act as a trade mark agent if such person is resident in Malawi and—

(a) is a legal practitioner entitled to practice in the High Court of Malawi; or

(b) is admitted to practice as a trade mark agent before the Institute of Patents and Trade Mark Agents of Malawi.

Trade Mark
Agents
Register

... The Registrar shall keep a register of trade mark agents in Malawi and may remove from the register of trade mark agents the name of any trade mark agent upon proof to his satisfaction that the trade mark agent—

(a) has died;

(b) has become of unsound mind;

(c) has been adjudged or otherwise declared bankrupt or insolvent under any written law, or has made an assignment to or composition with his creditors;

(d) has ceased to reside in Malawi, or has ceased to maintain a place of business in Malawi;

(e) has applied for his name to be so removed;

(f) has, been convicted, in Malawi or elsewhere, of an offence and sentenced to serve a term of imprisonment without the option of a fine, whether such sentence is suspended or not; or

(g) having been entitled to practise as a trade mark agent has ceased to be so entitled, or has ceased to practice as such.

INSTITUTIONAL FRAMEWORK

In terms of administration, the Trade Marks Act only provides for the establishment of the Trade Marks Office and the appointment of the Registrar of Trade Marks.¹⁰² The Trade Marks Office in Malawi is the Department of Registrar General which is under the Ministry of Justice and Constitutional Affairs and the Registrar of Trade Marks is the Registrar General. The Commission however observed that the draft Intellectual Property Policy, aims at building financial, human and institutional capacity on intellectual property in Malawi by, among other things, creating an independent office which shall administer all intellectual property laws in the country. The Commission felt that this is a step in the right direction since the modern practice in many jurisdictions is to have an independent intellectual property office.¹⁰³ The draft Policy further states that much as the office would be an independent office, it should be reporting to the Ministry responsible for Industry and Trade and that the functions of the Registrar General relating to trade marks and other branches of intellectual property should be shifted to this office. The Commission observed that, in this way, the intellectual property office could be self sustainable and efficient.

¹⁰² See Section 3 & 5

¹⁰³ Examples are Kenya, Zambia, Tanzania, Mauritius

The Commission also undertook a comparative study visit to Kenya and Zambia where it found that the Industrial Property Offices in these countries had been delinked from government, together with the money that the offices generate and were operating independently as statutory bodies; a situation which has greatly enhanced the effectiveness of these institutions. The Commission noted that this is the scheme that the draft Policy is proposing.

The Commission further noted that the draft Policy also provides for coordination between the proposed intellectual property office and other service institutions such as the Police; Ministry of Justice; Ministry of Industry and Trade; Malawi Revenue Authority; Ministry of Health; Pharmacy, Medicines and Poisons Board; Fisheries Department; Consumer Association of Malawi; and the Malawi Bureau of Standards.¹⁰⁴ The Commission supports this proposal and observed that collaboration with relevant institutions would be instrumental in setting standards on intellectual property service delivery, inspecting and ensuring the distribution of original and genuine products, advising institutions and other stakeholders on intellectual property issues and also in the mediation and arbitration of disputes.¹⁰⁵

The Commission, after debating further on the subject and noting the success stories in Zambia and Kenya of independent intellectual property offices, resolved that there should be a separate new Act establishing an independent intellectual property office; and providing for other matters relating to its administration, operations, duties and functions.

Regarding the powers and duties of the proposed independent intellectual property office, the Commission noted that the powers and duties that are assigned to the Registrar under the Act only relate to registration of trade marks and not to the enforcement of rights of trade mark holders. It would seem therefore that apart from refusing registration of a trade mark for failure to meet the requirements for registration, the Trade Marks Office does not police trade mark infringements actually happening on the market. In such cases, it is the victim who has to enforce his rights through court actions. The Commission debated the issue of enforcement of intellectual property rights by the Registrar General's office and resolved that the status quo be maintained for the reason that intellectual property rights are private rights and should therefore be enforced by individual right holders. The law should only provide for options that an aggrieved right holder should have in case of infringement like those that have been provided elsewhere in this Report.

Further, the Commission did not lose sight of the fact that the Registrar General's office is also the Company and Business Names registration office. Recognizing that the registration of companies and business names is not an intellectual property matter, the Commission faced the dilemma of whether this function should also be moved to the proposed intellectual property office or

¹⁰⁴ See Page 29 of Draft IP policy for Malawi.

¹⁰⁵ *Ibid*

remain in another office dealing with company and business names registration. Having looked at various examples¹⁰⁶ from other jurisdictions and international best practices in general, the Commission resolved that intellectual property office should have additional functions of registering companies and business names. Hence, the recommendation is that these functions of the Registrar General's Department should be moved to the independent office that is being proposed. The Commission therefore recommends the enactment of a law that would establish the proposed office in Malawi to be called the Companies and Intellectual Property Office. The proposed bill is attached as annex 2.

The Commission however recommends that the current institutional arrangement should continue until the proposed law on establishment of the independent intellectual property office is enacted. Therefore, sections 3, 4, and 5 of the Act should be retained subject to modification of section 3 and 4 as follows.

PART.... —TRADE MARKS OFFICE

Trade Marks Office ... —(1) **There is hereby established under the direction of the Minister an office called the Trade Marks Office.**

(2) The Trade Marks Office shall have a seal which shall be used for purposes prescribed under this Act.

RETAINED PROVISIONS ON ISOLATED ISSUES UNDER THE LAW

SECTION 19 [*Registration subject to disclaimer*]

The essence of this provision is that if a trade mark contains a part not separately registered by the proprietor as a trade mark or a matter common to the trade or of a non distinctive character, the Registrar may in such instances require the proprietor to disclaim any exclusive right to that part of the trade mark or such other disclaimers the Registrar may consider necessary for purposes of defining the proprietor's rights under that registration.

The Commission debated this provision and appreciated its importance bearing in mind that sometimes not all features in a mark are distinctive. The Commission therefore recommends the retention and adoption of this provision in the proposed Act subject to its redrafting for better presentation.

Registration Subject to disclaimer ... —(1) **If a trade mark contains—**
(a) a part not separately registered by the proprietor as a trade mark; or
(b) a matter common to the trade or otherwise of a non-distinctive character,
the Registrar, or the Appeals Tribunal in the event of an appeal from a decision of the Registrar, in deciding

¹⁰⁶ Such as Zambia and South Africa

whether the trade mark shall be entered or shall remain on the Register, may require as a condition of its being on the Register that the proprietor shall—

(i) disclaim any right to the exclusive use of any part of the trade mark or to the exclusive use of all or any portion of such trade mark as aforesaid; or

(ii) make such other disclaimer as the Registrar or the Tribunal may consider necessary for the purposes of defining his rights under the registration.

(2) No disclaimer on the Register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

SECTION 21 [*Effect of limitation as to colour and its absence*]

The section provides that a trade mark may be limited in whole or in part to one or more specified colours and in such a case, the fact that it is so limited shall be taken into consideration by the Registrar or by the Tribunal in deciding on the distinctive character of the trade mark. It goes further to provide that where a trade mark is registered without limitation of colour, it is deemed to be registered for all colours.

The Commission did not find fault with this provision and recommends its retention subject to modification of subsection (2) so as to read as follows—

(2) Where a trade mark is registered without limitation of colour, it shall be deemed to be registered for all colours.

SECTION 26 [*Registration of parts of trade marks and of trade marks as a series*]

This provision enables a proprietor to register several trade marks in respect of same goods or services that materially resemble each other but differ in some aspects like price, quality or colour as a series. The Commission acknowledged the practical importance of this provision and recommends its retention.

SECTION 27 [*Assignment and Transmission*]

This provision provides for the assignment and transmission of a registered trade mark. The Commission recognized the importance of this provision since assignments and transmissions bestow greater freedom upon the proprietor of a trade mark in terms of its use.¹⁰⁷ In this day and age, there is considerable growth

¹⁰⁷ See UK Government White Paper, Reform of Trade Marks Law, 1990 CMD 1203. See also Mackay of Clashfern (4th Ed), Halsbury's Laws of England 2000 Reissue, Volume 48, para 121

in value of brands and trade marks such that they have become more or less a form of property themselves that can be assigned or transmitted. For example, it is estimated that the coca cola trade mark is currently valued at over seventy billion United States Dollars.¹⁰⁸ This only shows that trade marks that have a good brand reputation and market profile can be of great value in themselves without having to use the actual products they designate. The Commission therefore recommends the retention of the section but modified as follows—

Assignment and Transmission ...—(1) **A registered trade mark may be transmitted by assignment, testamentary disposition or operation of the law, in the same way as other personal or moveable property and it is so transmissible either in connection with the goodwill of a business or independently.**

(2) An assignment or other transmission of a registered trade mark may be limited only to apply—

(a) in relation to some but not all the goods or services for which the trade mark is registered; or

(b) in relation to use of the trade mark in a particular manner or a particular locality.

(3) An assignment of a registered trade mark, or an assent relating to a registered trade mark, is not effective unless it is in writing signed by or on behalf of the assignor or, as the case may be, a personal representative.

(4) This section applies to assignment by way of security.

(5) A registered trade mark may be the subject of a charge.

(6) Nothing in this Act shall be construed as affecting the assignment or other transmission of an unregistered trade mark as part of the goodwill of a business.

SECTION 28 [*Associated trade marks to be assignable and transmissible as a whole*]

This follows the discussion on assignment and transmission except that trade marks that are registered as associated trade marks shall be assignable only as a whole and not separately even though they are deemed to have been registered as separate trade marks.¹⁰⁹ The Commission also recommends the retention of this provision in the new law.

¹⁰⁸ See: www.brandwise.com/branding-blog/bid/19070/create-brand-value-through-a-trademark. Site visited on 5th October, 2010

¹⁰⁹ For example trade marks of Fanta orange, Fanta pineapple or Fanta passion may be registered as a series.

SECTION 30 [*Registration of assignments and transmissions*]

The Commission agreed that all assignments or transmissions should and must be registered with the Registrar. The Commission however noted that the current provision makes reference to goods only and in view of recommendations made elsewhere in this Report, recommends that such reference should extend to services as well. While retaining the section, the Commission recommends that the words “**or services**” be included in subsection (1) immediately after the word “goods” in the fifth line.

SECTION 33 [*Registered users*]

The Commission appreciated the spirit behind this provision but had reservations about the way in which it was drafted. The Commission observed that in almost all modern legislation on trade marks, the term “licensee” is used in place of the term “registered user.” The Commission therefore recommends the redrafting of the section to read as follows...

Licensee ...—(1) **A person may, by agreement with a proprietor of a registered trade mark, be registered as a licensee in respect of all or any goods or services of which the trade mark is registered.**

(2) Any licence in relation to a registered mark, shall provide for effective control by the licensor of the quality of the goods or services of the licensee in connection with which the mark is used.

(3) Where the licence does not provide for such quality control or where such quality control is not effectively carried out, the licence shall not be valid.

(4) The registration of a collective mark, or an application thereof, shall not be the subject matter of a licence.

(5) A licensee of a trade mark may also assign or transmit it but shall only do so with the permission of the registered proprietor.

SECTION 37 [*Rectification and correction of the Register*]

This provision gives general power to the Registrar to rectify entries on the register upon application by an interested party. The Commission appreciated the importance of the provision but nevertheless recommends that the provision be couched in a different way and that such applications should first be made to the Registrar unless there are proceedings before the Tribunal in which case, the application should lie before the Tribunal. The Commission therefore, while

maintaining the spirit behind the provision, recommends the adoption of the following provisions—

Rectification and correction of the Register ...—(1) **Any interested party may apply for the rectification of an error or omission in the Register.**

(2) **An application for rectification may be made to the Registrar except that if proceedings concerning the trade mark in question are pending before the Tribunal, the application shall be made to the Tribunal.**

(3) **Where the application is made to the Registrar, the Registrar may at any stage of the proceedings refer the application to the Tribunal.**

(4) **Except where the Registrar or the Tribunal directs otherwise, the effect of rectification of the Register is that the error or omission in question shall be deemed never to have been made.**

(5) **The Registrar may, on request made in the prescribed manner by the proprietor of a registered trade mark, or a licensee, correct any error or enter any change in his name or address as recorded in the Register.**

(6) **The Registrar may remove from the Register any matter appearing to him to have ceased to have effect.**

SECTION 38 [*Power to expunge or vary registration for breach of condition*]

This provision gives power to the Registrar or the Tribunal upon application by an interested party to order for the removal or varying of the registration of a trade mark on grounds of failure to observe a condition entered on the Register. The Commission observed that this is an important provision that ought to be retained except that the word “expunge” should be replaced by the word “remove”. The Commission therefore recommends the adoption of the following provision—

Power to remove or vary registration for breach of condition ... **On application by any interested party to the Registrar or the Appeals Tribunal or on application by the Registrar to the Appeals Tribunal, the Appeals Tribunal or the Registrar may make such order as they may think fit for removing or varying the registration of a trade mark on the ground of any contravention of or failure to observe a condition entered on the Register in relation to the registered trade mark.**

SECTION 40 [*Alteration of registered trade mark*]

This section provides that a proprietor of a registered trade mark may apply to the Registrar to alter the trade mark in any manner not substantially affecting

the identity of the trade mark. While acknowledging the importance of the provision and recommending its retention, the Commission however resolved that all applications for alterations need to be advertised. The Commission therefore recommends the adoption of the following modified provision—

Alteration of registered trade marks ... **—(1) A proprietor of a registered trade mark may apply in the prescribed manner to the Registrar for leave to alter the trade mark in any manner not substantially affecting the identity of the trade mark, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.**

(2) The Registrar shall advertise the application under this section in the prescribed manner and if within the prescribed time from the date of the advertisement any person gives notice to the Registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

SECTION 44 [*Hearing before exercise of Registrar's discretion*]

The section provides that before the Registrar adversely exercises any of his powers on an applicant for registration or on a proprietor of a registered trade mark, he shall first afford the applicant or the proprietor an opportunity to be heard. The Commission noted that this is in line with rules of natural justice and also complies with the requirements of section 43 of the Constitution of Malawi which has been held by the court to have entrenched the rules of natural justice in our Constitution. The Commission therefore recommends the retention of this provision subject to minor modifications so that it reads as follows—

Mode of exercising power by Registrar ... **The Registrar shall not exercise his powers under this Act against an applicant for registration of a trade mark or a proprietor of a trade mark without giving the applicant or the proprietor an opportunity to be heard.**

SECTION 45 [*Evidence of certain entries and documents*]

The Commission did not find fault with this provision and recommends its retention subject to modification that it reads as follows—

Evidence of certain entries and documents ... **—(1) A certificate purporting to be signed by the Registrar and certifying that any entry which he is authorized under this Act to make has or has not been made, or that any other thing which he is so authorized to do has or has not been done, shall be *prima facie* evidence of the matters so certified.**

(2) A copy of any entry in any register or of any document kept in the Trade Marks Office or of any trade

mark or an extract from any such register or document, certified by the Registrar and sealed with the seal of the Trade Mark Office, shall be admitted in evidence without further proof and without production of the original.

SECTION 46 [*Requests for information*]

The provision gives power to the Registrar to, upon request, furnish copies of any documents which are open to public inspection. The Commission resolved to retain this provision.

SECTIONS 47 & 48 [*Power of Register to award costs*]

Section 47 gives power to the Registrar to award costs to any party during proceedings after the costs are taxed by a taxing officer of the Tribunal. The Commission resolved that the costs should be taxed by the Registrar and not the taxing officer. The Commission therefore proposed the adoption of the following modified provision—

Power of Registrar to award and tax costs ... **—(1) In all proceedings before the Registrar under this Act, the Registrar shall have power to award to any party such costs as he may consider reasonable and to direct how and by what parties they are to be paid.**

(2) Any costs awarded by the Registrar shall be taxed by the Registrar and payment thereof may be enforced in the same manner as if they were costs allowed by the Tribunal.

SECTION 50 [*Advertisements to be approved by the Registrar*]

The Commission agreed to retain this provision subject to modification so that it reads as follows—

Advertisements to be approved by Registrar ... **Any advertisement or notice issued under this Act, other than a notice issued under the authority of the Minister, shall, before being published by any person, be in the prescribed form and shall be approved by the Registrar.**

SECTION 54 [*Assessors*]

The section provides that the Tribunal may appoint any person with expert knowledge to act as an assessor in an advisory capacity where it appears to the Tribunal that such knowledge is required for the proper determination of a particular case. The Commission saw merit in this provision and recommends its retention.

SECTION 56 [*References to Tribunal by Registrar*]

This provision gives power to the Registrar to refer to the Tribunal any matter that involves a point of law of unusual complexity. The Commission

acknowledged that there may indeed be such matters that a Registrar may want to refer to the Tribunal for determination. The power given in section 56 is therefore important and in this regard, the Commission recommends the retention of the following modified provision—

References to Tribunal by Registrar **Where any matter to be decided by the Registrar under this Act appears to him to involve a point of law or to be of unusual importance or complexity, he may, after giving notice to the parties, refer such matter to the Tribunal for a decision and shall thereafter, in relation to such matter act in accordance with the decision of the Tribunal or any decision substituted therefor on appeal to the Supreme Court.**

SECTION 59 [*Infringement or passing off action to be heard in High Court*]

This section provides that all legal proceedings relating to the infringement or passing off of a trade mark shall be brought in the High Court. The Commission noted that the judiciary has established a Commercial Division of the High Court to deal with commercial cases.¹¹⁰ The Commission was of the view that, intellectual property matters being purely commercial matters, infringement and passing off actions should not go to the general division of the High Court but rather to the High Court (Commercial Division). The Commission therefore proposed the retention of the following modified version of section 59—

Infringement or passing off actions **... Any action or legal proceeding relating to the infringement or passing off of a trade mark shall be brought in the High Court Commercial Division.**

SECTION 60 [*Trade usages to be considered*]

The provision in essence provides for market survey evidence to be used in actions or proceedings relating to trade marks. The Commission recommends retention of the provision.

SECTION 61 [*Registrar's appearance in proceedings involving rectification*]

The provision gives the Registrar the right of appearance and audience in proceedings in which the relief sought includes alteration or rectification of the register. The Commission did not find fault with this provision and recommends retention of the provision.

SECTION 64 [*Applicant's option to apply to Tribunal or Registrar*]

The Commission suggested a modification to this provision in order for the Registrar to have original jurisdiction to hear matters and determine any application under this Act. The Commission resolved that the first point of call

¹¹⁰ See Order 1 rule of High Court (Commercial Division) Rules, 2007

with regard to any application under this Act should be the Registrar. The Commission therefore recommends adoption of the following provision—

Registrar's original jurisdiction	... Where an applicant wishes to make an application under any provisions of this Act, such an application shall first be made to the Registrar.
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SECTION 65 [*Security for costs and taxation of costs*]

The provision gives power to the Registrar or the Tribunal to order a party to furnish security for costs if that party is resident outside Malawi. The Commission acknowledged that the provision makes sense and is in line with civil procedure rules currently obtaining in Malawi. The Commission therefore recommends retention of the provision.

SECTION 75 [*Jointly owned trade marks*]

The provision allows registration of joint proprietors of a trade mark where use of the trade mark by both of them cannot be separated. The Commission recommends retention of the provision.

SECTION 76 [*Lodging and authentication of documents*]

The Commission considered this provision and was of the view the law should also make provision for electronic filing of documents but should confer powers on the Minister to make regulations on how electronic filing should be done. The Commission therefore recommends the adoption of the following modified provision—

Lodging and authentication of documents	... —(1) Any application, notice or document authorized or required under this Act to be lodged, made or given at the Trade Marks Office or to the Registrar or to any other person may be delivered by hand or sent electronically or by registered post.
	(2) The Minister may make regulations for the proper lodging and authentication of documents sent electronically.

SECTION 78 [*Provisions as to fees*]

The Commission did not find fault with this provision and therefore proposed retention of the provision.

SECTION 79 [*Oaths and Affirmations*]

The Commission did not find fault with this provision and therefore proposed retention of the provision.

SECTION 81 [*Power to make regulations*]

The Commission recognized the importance of this provision in any legislation for it gives power to the Minister responsible for the implementation

of the particular law to make regulations giving effect and for the better carrying out of the legislation in question. The Commission therefore recommends the retention of this provision and further recommends that the Minister's power to prescribe fees should be mandatory rather than discretionary. The following provision is therefore recommended—

Power to make ... —(1) The Minister may make regulations prescribing regulations anything which under this Act is to be prescribed and generally for the better carrying out of the objects and purposes of this Act or to give force or effect to its provisions or for its better administration.

(2) Without prejudice to the generality of subsection (1), regulations made by the Minister may provide for—

(a) regulating the practice under this Act, including the service of documents;

(b) classifying goods or services for the purposes of registration of trade marks;

(c) prohibiting the registration of any mark on the grounds of morality, public policy or other good and sufficient reason;

(d) making or requiring duplicate representations of trade marks and other documents;

(e) securing and regulating the publishing and selling or distributing, in such manner as he thinks fit, of copies of trade marks and other documents;

(f) fees which may be charged in relation to the conduct of trade mark business by trade mark agents;

(h) the professional conduct of trade mark agents;

(i) generally regulating the business of the Trade Marks Office in relation to trade marks and all things placed under the direction or control of the Registrar by this Act.

(3) The Minister shall also prescribe a tariff, not inconsistent with this Act, of the fees which shall be payable in respect of any application, registration and other matters under this Act and the fees shall be payable as so prescribed.

Consequential clauses

Due to the comprehensive nature of the Review of the Trade Marks Act, the commission observed that effecting amendments to the current Act would be

Tedious and not ideal. The commission therefore resolved that it should replace the current Act with a new Act. Consequently, it became necessary to develop repeal and transitional clauses. Thus, the commission recommends the adoption of the following provisions—

- Repeal of
Cap. 49:01** **...The Trade Marks Act is hereby repealed.**
- Savings** **... —(1) Trade marks registered under the Trade Marks Act (now repealed) shall remain in force until their expiry and shall be deemed to have been registered under this Act.**
- (2) Trade marks already registered and due for renewal shall, upon renewal, be reclassified in accordance with the International classification as provided under this Act.**
- (3) Any regulations made under the Trade Marks Act (now repealed) shall, unless inconsistent with the provisions of this Act, remain in force and shall have the same effect as if they were made under this Act.**
- (4) Any document referring to any provision of the Trade Marks Act (now repealed) shall be construed as referring to the corresponding provision of this Act.**

TRADE MARKS BILL, 20..

TRADE MARKS BILL, 20...
ARRANGEMENT OF SECTIONS

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10. Rights conferred by registration
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80. Savings

A BILL

entitled

AN ACT to regulate matters relating to registration and protection of trade marks, well known marks, collective marks, certification marks, geographical indications and for matters connected therewith and incidental thereto,

ENACTED by the Parliament of Malawi as follows—

PART I—PRELIMINARY

1. This Act may be cited as the Trade Marks Act 20... and shall come into force on a date appointed by the Minister by a notice published in the *Gazette*. Short title and commencement

2. In this Act, unless the context otherwise requires— Interpretation

“Appeals Tribunal” means an Appeals Tribunal established under section 59;

“geographical indication” means an indication which identifies goods or products as originating in the territory of a country, region or locality in that territory, where a given quality, reputation or other characteristic of the products is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or

of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be;

“international instrument” means any convention, treaty, protocol or agreement between states;

“Judge” means a Judge appointed by the Chief Justice to act as the Tribunal under this Act;

“limitation” means any limitation of the exclusive right to the use of a trade mark given by the registration of a person as proprietor thereof, including limitations of that right as to mode of use, as to use in relation to goods to be sold or services to be performed;

“Register” means the register of trade marks kept under this Act;

“register of trade marks agents” means the register of trade mark agents kept under section 73;

“registered trade mark” means a trade mark that is actually on the register;

“Registrar” means the Registrar of Trade Marks;

“trade mark” means—

(a) any sign or mark which is capable of being represented graphically; or

(b) in relation to non-visual signs or marks, any sign or mark that is sufficiently described in a clear, precise, intelligible and objective manner,

and it is capable of distinguishing the goods or services of one undertaking from those of other undertakings;

“Trade Marks Office” means the Trade Marks Office established under section 3;

“transmission” means transmission by operation of law, devolution on the legal representative of a deceased person and any other mode of transfer not being an assignment;

PART II—TRADE MARKS OFFICE

Establishment
of Trade Mark
Office

3.—(1) There is hereby established under the direction of the Minister an office called the Trade Marks Office.

(2) The Trade Marks Office shall have a seal which shall be used for purposes prescribed under this Act.

4. There shall be appointed—

Appointment of
officers

(a) a Registrar of Trade Marks who shall exercise the powers and duties assigned to the Registrar by this Act and shall be responsible for its administration;

(b) one or more Deputy Registrars of Trade Marks who shall, subject to the control of the Registrar, have all the powers conferred by this Act on the Registrar; and

(c) such examiners and other officers as the Minister may consider necessary for carrying out this Act.

PART III—REGISTRATION OF TRADE MARKS AND CONNECTED
MATTERS

5.—(1) The Registrar shall maintain a Register of trade marks.

Register

(2) There shall be entered in the Register in accordance with this Act—

(a) registered trade marks;

(b) such particulars as may be prescribed of transactions affecting a registered trade mark including renewals, notifications of assignments and transmissions, names, addresses and descriptions of all registered users, disclaimers, conditions, limitations, and

(c) such other matters relating to registered trade marks as may be prescribed.

(3) Any person may, upon payment of the prescribed fee, and in accordance with any conditions which may be prescribed, search, inspect or make a copy or obtain an extract of the Register referred to in subsection (1).

6.—(1) An application for registration of a trade mark shall be made to the Registrar.

Applicatin for
registration

(2) Subject to any limitation set out in this Act, a person who uses or intends to use a mark may file with the Registrar an application for registration of that mark as a trade mark and the application shall contain—

(a) a request for registration of the mark as a trade mark;

(b) the name and address of the applicant;

(c) a statement and name of goods or services for which registration is sought;

(d) a representation of the mark;

(e) a signature of the applicant; and

(f) a declaration of use or intention to use the mark as a trade mark.

(3) Subject to the provisions of this Act, the Registrar may refuse the application or accept it absolutely or accept the application subject to any amendments, modifications, conditions or limitations as he may think fit.

(4) The Registrar shall make a decision accepting or refusing an application for the registration of a mark as a trade mark within thirty (30) days of receiving the application.

Grounds for refusal of registration of a trade mark

7.—(1) A mark shall not be registered as a trade mark if it—

(a) is incapable of distinguishing the goods or services of one enterprise or business from those of another enterprise or business;

(b) is identical with, or similar to, another registered trade mark or other mark whose application for registration as a trade mark was filed prior to the filing date of the application concerned;

(c) consists solely of a mark indicating the common name of the goods or services;

(d) is contrary to public order or morality;

(e) is likely to mislead the public or trade circles, in particular as regards the geographical origin of the goods or services concerned, or their nature or characteristics;

(f) is identical to, or is an imitation of, or contains, as an element, an armorial bearing, flag or other emblem, a name, abbreviation or initials of, or official sign or hallmark adopted by, any State, inter-governmental organization or organization created by an international convention, unless the competent authority of that State or organization has given authorization for such bearing, flag, emblem, name, abbreviation or initials, official sign or hallmark to be used by an applicant for a registered mark;

(g) is identical to, or confusingly similar to, or constitutes a translation of, a trade mark or trade name which is well known in Malawi for identical or similar goods or services of another enterprise, or if it is well known, and registered in Malawi for goods or services which are not identical or similar to those in respect of which registration is applied for:

Provided, in the latter case, that—

(i) the use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well known mark; and

(ii) the interests of the owner of the well known mark are likely to be prejudiced by such use.

8.—(1) Where an application for registration of a trade mark is accepted, whether absolutely or subject to conditions or limitations, the Registrar shall as soon as possible, and upon payment of the prescribed fee, advertise the application in the prescribed manner. Opposition to application

(2) The advertisement referred to in subsection (1) shall specify all conditions or limitations subject to which the application is accepted.

(3) The Registrar may direct that an application be advertised before acceptance where it appears to him that it is expedient due to any exceptional circumstances to do so, and where this is to be done, the Registrar may, if he thinks fit, direct that the application be advertised again after it is accepted.

(4) Any person may, within two months from the date of the advertisement of an application, give notice to the Registrar of opposition to the registration of the trade mark.

(5) The notice of opposition shall be issued in the prescribed manner and shall include a statement of the grounds of opposition.

(6) The Registrar shall send a copy of the notice of opposition to the applicant and within two months after receipt thereof, the applicant shall send to the Registrar, in the prescribed manner, a counter-statement stating the grounds on which he relies for his application.

(7) Where the applicant, without good reason, fails to send the counter statement to the Registrar within the prescribed time, he shall be deemed to have abandoned the application.

(8) If the applicant sends such a counter-statement, the Registrar shall furnish a copy thereof to the person giving notice of the opposition; and after hearing the parties and considering the evidence, decide whether, and subject to what conditions or limitations, if any, registration is to be permitted.

(9) The Registrar shall make a decision regarding the opposition proceedings permitting or refusing the registration of a trade mark within sixty (60) days from the date the hearing is concluded.

9.—(1) When an application for registration of a trade mark has been accepted, and either— Registration of trade marks

(a) the application has not been opposed and the time for notice of opposition has expired; or

(b) the application has been opposed and the opposition has been decided in favour of the applicant,

the Registrar shall, unless the application is accepted in error or unless the Tribunal otherwise directs, register the trade mark, and the registration shall be with effect from the date of the application for registration, and that date shall be deemed, for the purposes of this Act, to be the date of registration.

(2) The Registrar shall, on the registration of a trade mark and upon payment of the prescribed fee, issue to the applicant a certificate of registration in the prescribed form and under the seal of the Trade Marks Office.

(3) Where the applicant fails to complete registration processes of a trade mark within twelve months from the date of the application, the Registrar shall treat the application as abandoned.

Rights
conferred by
registration

10.—(1) A proprietor of a registered trade mark has the exclusive right to use the trade mark in respect of the goods or services for which the trade mark was registered.

(2) The right of the proprietor shall be effective from the date of filing of the application for registration.

Limits on
rights
conferred by
registration

11.—(1) A registered trade mark is not infringed by the use of another registered trade mark in relation to goods or services for which the latter is registered following honest concurrent use for a period of five years during which the owner of the earlier right has had knowledge of such use by the latter.

(2) A registered trade mark is not infringed by—

(a) the use of the trade mark by a person of his own name or address, the name of his place of business, the name of any of his predecessors in business, or the name of any such predecessor's place of business;

(b) the use of the trade mark where it is necessary to indicate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services;

(c) the use of the trade mark where it is necessary to indicate the intended purpose of a product or service, including spare parts or accessories; or

(d) the importation into or the distribution, sale or offering for sale in Malawi of goods to which the trade mark has been applied by or with the consent of the proprietor thereof.

Provided that the use is in accordance with honest practices in industrial or commercial matters.

12. The rights conferred by registration of a mark may not be invoked to prevent a third party from using, in the course of trade, goods lawfully bearing the mark after the goods have been put on the market in Malawi or abroad by the registered holder or by a person acting with the holder's consent or having an economic tie to the holder:

Exhaustion of rights

Provided that the goods and the packaging or wrapping in direct contact with the goods is not deteriorated or altered.

13.—(1) A proprietor or licensee of a registered trade mark shall not interfere or restrain the use by another person of a trade mark identical with or nearly resembling the registered trade mark which that other person or predecessor in title has continuously used prior to the registration of the trade mark.

Unregistered mark

(2) A person shall not be entitled to institute any proceedings to prevent or to recover damages for the infringement of an unregistered trade mark, but nothing in this Act shall affect the right of action against any person for passing off goods or services as the goods or services of another person or the remedies in respect thereof.

(3) Where on an application for the registration of a trade mark, it appears to the Registrar that there is an earlier trade mark or right on the Register but the applicant has shown to the satisfaction of the Registrar that there has been honest concurrent use of the trade mark for which registration is sought, the Registrar shall not refuse the application by reason of the earlier trade mark or right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or right.

14.—(1) If a trade mark contains—

Registration subject to disclaimer

(a) a part not separately registered by the proprietor as a trade mark; or

(b) a matter common to the trade or otherwise of a non-distinctive character,

the Registrar, or the Tribunal in the event of an appeal from a decision of the Registrar, in deciding whether the trade mark shall be entered or shall remain on the Register, may require as a condition of its being on the Register that the proprietor should—

(i) disclaim any right to the exclusive use of any part of the trade mark or to the exclusive use of all or any portion of such trade mark as aforesaid; or

(ii) make such other disclaimer as the Registrar or the Tribunal may consider necessary for the purposes of defining his rights under the registration.

(2) No disclaimer on the Register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

Limitation as to colour and absence thereof

15.—(1) A trade mark may be limited in whole or in part to one or more specified colours, and in any such case the fact that it is limited shall be taken into consideration by the Registrar, or by the Tribunal in the event of an appeal from a decision of the Registrar, in deciding on the distinctive character of the trade mark.

(2) Where a trade mark is registered without limitation of colour, it shall be deemed to be registered for all colours.

Classification of goods and services

16.—(1) Goods and services shall be classified for purposes of registration of trade marks in accordance with the Nice Classification or the Vienna Classification, as the case may be and as amended from time to time.

(2) For purposes of this section—

“Nice Classification” means a classification adopted in the Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks; and

“Vienna Classification” means Vienna Classification of Figurative Elements of Marks.

(3) Any question regarding the class within which any goods or services fall shall be determined by the Registrar.

Registration of parts of trade marks and of trade marks as series

17.—(1) Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and any such part as separate trade marks.

(2) Each separate trade mark must satisfy all the conditions of an independent trade mark and shall have all the qualities of an independent trade mark.

(3) Where a person claiming to be the proprietor of several trade marks, in respect of the same goods or description of goods or services, which, while resembling each other in the material particulars thereof, yet differ in respect of—

(a) statements of the goods or services in relation to which they are respectively used or proposed to be used;

(b) statements of number, price, quality or names of places;

(c) other matter of a non-distinctive character which does not substantially affect the identity of the trade mark; or

(d) colour,

seeks to register those trade marks, they may be registered as a series in one registration.

18.—(1) A registered trade mark may be transmitted by assignment, testamentary disposition or operation of the law, in the same way as other personal or moveable property and it is so transmissible either in connection with the goodwill of a business or independently.

Assignment
and
transmission

(2) An assignment or other transmission of a registered trade mark may be limited only to apply—

(a) in relation to some but not all the goods or services for which the trade mark is registered; or

(b) in relation to the use of the trade mark in a particular manner or a particular locality.

(3) An assignment of a registered trade mark, or an assent relating to a registered trade mark, is not effective unless it is in writing signed by or on behalf of the assignor or, as the case may be, a personal representative.

(4) This section applies to assignment by way of security.

(5) A registered trade mark may be the subject of a charge.

(6) Nothing in this Act shall be construed as affecting the assignment or other transmission of an unregistered trade mark as part of the goodwill of a business.

19.—(1) Trade marks that are registered as, or that are deemed by virtue of this Act to be, associated trade marks shall be assignable and transmissible only as a whole and not separately, but they shall for all other purposes, be deemed to have been registered as separate trade marks.

Associated
trade marks to
be assignable
and
transmissible as
a whole

(2) Where a trade mark that is registered, or is the subject of an application for registration, in respect of any goods is identical with another trade mark that is registered, or is the subject of an application for registration, in the name of the same proprietor in respect of the same goods or description of goods, or so nearly resembles it as to be likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar, may at any time require that the trade marks shall be entered on the Register as associated trade marks.

(3) Where a trade mark and any part or parts thereof are registered as separate trade marks in the name of the same proprietor, they shall be deemed to be, and shall be registered as, associated trade marks.

(4) All trade marks that are registered as a series in one registration shall be deemed to be, and shall be registered as, associated trade marks.

(5) On application made in the prescribed manner by the registered proprietor of two or more trade marks registered as associated trade marks, the Registrar may dissolve the association in respects any of them if he is satisfied that there would be likelihood of deception or confusion being caused if that trade mark were used by another person in relation to any of the goods in respect of which it is registered and may amend the Register accordingly.

Registration of
assignments
and
transmission

20.—(1) Where a person becomes entitled to a registered trade mark by assignment or transmission, he shall apply to the Registrar to register his title, and the Registrar shall, on receipt of the application and upon being satisfied with the proof of title, register the person as the proprietor of the trade mark for the goods or services in respect of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the Register.

(2) Except for the purposes of an appeal under this section or of an application under section 25, a document or instrument in respect of which no entry has been made in the Register in accordance with subsection (1) shall not be admitted in evidence in any court in proof of the title to a trade mark unless the court otherwise directs.

Licensee

21.—(1) A person may, by agreement with a proprietor of a registered trade mark, be registered as a licensee in respect of all or any goods or services for which the trade mark is registered.

(2) Any licence in relation to a registered mark,

(a) shall provide for effective control by the licensor of the quality of the goods or services of the licensee in connection with which the trade mark is used; and

(b) may provide for conditions and restrictions to which the licensee must comply with (in this Act referred to as the “permitted use”).

(3) Where the licence does not provide for such quality control or where such quality control is not effectively carried out, the licence shall not be valid.

(4) The permitted use of the trade mark shall be deemed to be use by the proprietor for the purposes of section 23 and for any other

purposes for which such use is material under this Act or any other law.

(5) Subject to any agreement subsisting between the parties, a licensee of a trade mark shall be entitled to call upon the proprietor of the trade mark to take proceedings to prevent infringement of the trade mark and, if the proprietor refuses or neglects to do so within two months after being so called upon, the licensee may institute proceedings for the infringement in his own name as if he were the proprietor and may make the proprietor a defendant.

(6) A proprietor who has been added as defendant by a licensee shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

(7) Where it is proposed that a person should be registered as a licensee of a trade mark, the proprietor and the proposed licensee must apply in writing to the Registrar in the prescribed manner and must furnish him with an affidavit or a solemn declaration made by the proprietor or by some person authorized to act on his behalf and approved by the Registrar—

(a) giving particulars of the relationship existing or proposed between the proprietor and the proposed licensee, including particulars showing the degree of control by the proprietor over the permitted use which their relationship will confer and whether it is a term of their relationship that the proposed licensee shall be the sole licensee or that there shall be any other restriction as to persons for whose registration as licensees application may be made;

(b) stating the goods in respect of which the licence is proposed;

(c) stating any conditions or restrictions proposed with respect to the characteristics of the goods, to the mode or place of permitted use or to any other matter; and

(d) stating whether the permitted use is to be for a period or without limit of period and, if for a period, the duration thereof,

and with such further documents, information or evidence as may be required under the regulations or by the Registrar.

(8) When the requirements of subsection (5) have been complied with, if the Registrar, after considering the information furnished to him under that subsection, is satisfied that in all the circumstances the use of the trade mark in relation to the proposed goods or services or any of them by the proposed licensee, subject to any conditions or restrictions which the Registrar thinks proper, would not be contrary to the public interest, the Registrar may register the proposed licensee as a licensee in respect of the specified goods or services.

(9) The Registrar shall refuse an application under this section if it appears to him that the granting of the licence may tend to facilitate trafficking in a trade mark.

(10) The Registrar shall, if so required by an application, take steps for ensuring that information given for the purpose of an application under this section, other than matters entered in the Register, is not disclosed to rivals in trade.

(11) The registration of a person as a licensee—

(a) may be varied by the Registrar as regards the goods or services in respect of which the licence applies or as regards to the permitted use subject to which the licence was granted, on the application in writing in a prescribed manner by the proprietor of the trade mark;

(b) may be cancelled by the Registrar, on the application in writing in the prescribed manner by the proprietor of the trademark or by the licensee of the trade mark; or

(c) may be cancelled by the Registrar on the application in writing in the prescribed manner by any person on any of the following grounds—

(i) that the licensee has used the trademark otherwise than by way of the permitted use or in such way as to cause or to be likely to cause deception or confusion;

(ii) that the proprietor or the licensee misrepresented or failed to disclose some facts material to the application for the registration or that the circumstances have materially changed since the day of registration; or

(iii) that the registration ought not to have been effected, having regard to rights vested in the application by virtue of a contract in the performance of which he is interested.

(12) Provision shall be made by regulations for the notification of the registration of a person as a licensee to other licensees if any, of the trade mark, and for notification of an application under subsection (11) to the proprietor and each licensee (not being the applicant) of the trade mark.

(13) The Registrar may at any time cancel the registration of a person as a licensee of the trade mark in respect of any goods or services in respect of which the trade mark is no longer registered.

(14) The registration of a collective mark, or an application thereof, shall not be the subject matter of a licence.

(15) A licensee of a trade mark may assign or transmit the trade mark but shall only do so with the permission of the registered proprietor.

22.—(1) The registration of a trade mark shall be for a period of ten (10) years but may be renewed from time to time in accordance with this section. Duration of rights and renewals

(2) The Registrar shall, on application made by the proprietor of a registered trade mark in the prescribed manner and within the prescribed period, renew the registration of the trade mark for periods of ten (10) years from the date of expiry of the registration.

(3) Where a trade mark is removed from the Register for failure to renew, it shall nevertheless, for the purpose of any application for the registration of a trade mark during a period of one (1) year after the date of removal, be deemed to be a trade mark that is already on the Register.

(4) Subsection (3) shall not apply where the Registrar or the Tribunal in the event of an appeal from the decision of the Registrar, is satisfied either that—

(a) there has been no trade use of the trade mark that has been removed during the three (3) years immediately preceding its removal; or

(b) no deception or confusion would likely arise from the use of the trade mark that is the subject of the application for registration by reason of any previous use of the trade mark that has been removed.

(5) The Registrar may, on application by the proprietor of the trade mark within a period of one year, restore a trade mark that has been removed unless if it was not used in the three (3) years preceding its removal.

23. The Registrar may, on application by any interested person, remove a trade mark from the Register if he is satisfied that the trade mark has not been used in relation to the goods or services for a continuous period of five (5) years after registration. Non use of a trade mark

24.—(1) Where under this Act use of a registered trade mark is required to be proved for any purpose, the Registrar, or the Appeals Tribunal in the event of an appeal from a decision of the Registrar, may accept use of an associated registered trade mark, or of the trade mark with additions or alterations not substantially affecting its identity, as use of the trade mark. Use of one of associated or substantially identical trade marks equivalent to use of another

(2) The use of the whole of a registered trade mark shall for the purposes of this Act, be deemed to be a use of any registered trade mark, being a part thereof, registered in the name of the same proprietor.

PART IV—POWERS AND DUTIES OF THE REGISTRAR

Rectification
and correction
of the Register

25.—(1) Any interested party may apply for the rectification of an error or omission in the Register.

(2) An application for rectification shall be made to the Registrar except that if proceedings concerning the trade mark in question are pending before the Appeals Tribunal, the application shall be made to the Tribunal.

(3) Where the application is made to the Registrar, the Registrar may at any stage of the proceedings refer the application to the Appeals Tribunal.

(4) Except where the Registrar or the Appeals Tribunal directs otherwise, the effect of rectification of the Register is that the error or omission in question shall be deemed never to have been made.

(5) The Registrar may, on request made in the prescribed manner by the proprietor of a registered trade mark, or a licensee, correct any error or enter any change in his name or address as recorded in the Register.

(6) The Registrar may remove from the Register any matter appearing to him to have ceased to have effect.

Power to
remove or
vary
registration for
breach of
condition

26. On application by any interested party to the Registrar, the Registrar may make such order as he may think fit for removing or varying the registration of a trade mark on the ground of any contravention of or failure to observe a condition entered on the Register in relation to the registered trade mark.

Alteration of
registered
trade marks

27.—(1) A proprietor of a registered trade mark may apply in the prescribed manner to the Registrar for leave to alter the trade mark in any manner not substantially affecting the identity of the trade mark, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.

(2) The Registrar shall advertise the application under this section in the prescribed manner and if within the prescribed time from the date of the advertisement any person gives notice to the Registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

28. The Registrar shall not exercise his powers under this Act against an applicant for registration of a trade mark or a proprietor of a trade mark without giving the applicant or the proprietor an opportunity to be heard.

Mode of exercising power by Registrar

29.—(1) A certificate purporting to be signed by the Registrar and certifying that any entry which he is authorized by or under this Act to make has or has not been made, or that any other thing which he is so authorized to do has or has not been done, shall be *prima facie* evidence of the matters so certified.

Evidence of certain entries and documents

(2) A copy of any entry in any register or of any document kept in the Trade Marks Office or of any trade mark or an extract from any such register or document, certified by the Registrar and sealed with the seal of the Trade Mark Office, shall be admitted in evidence without further proof and without production of the original.

30. The Registrar shall, on the request of any person and on payment of the prescribed fee, furnish copies of any documents which are open to public inspection and which are lodged at the Trade Marks Office or particulars from the Register or furnish a certificate in respect thereof.

Request for information

31. Any advertisement or notice issued under this Act, other than a notice issued under the authority of the Minister, shall, before being published by any person, be in the prescribed form and shall be approved by the Registrar.

Advertisements to be approved by the Registrar

PART V—INFREINGEMENTS AND UNFAIR COMPETITION

32. A person who is not a proprietor of a registered trade mark infringes the rights of the owner of the registered trade mark if he—

Infringement of a trade mark

(a) affixes the registered trade mark or similar distinctive sign on goods for which the mark has been registered, on goods associated with the services for which the trade mark has been registered or on containers, wrapping or packaging of such goods;

(b) suppresses or distorts the trade mark after it has been affixed on the goods for which the trade mark has been registered for commercial purposes;

(c) produces, sells, offers for sale, distributes or stocks labels, containers, wrapping, packaging or any other material on which the trade mark is reproduced;

(d) refills or re-uses for commercial purposes, labels, containers, wrapping, packaging or any other material bearing the trade mark;

(e) uses in the course of trade, a sign that is identical or similar to the trade mark in respect of any goods or services, where such

use may cause a risk of confusion or association with the registered trade mark; or

(f) uses in the course of trade, a sign identical or similar to the trade mark in respect of any goods or services where such use may cause unfair economic prejudice to the registered owner through dilution of the distinctive character or advertising value of the trade mark, or an unfair advantage being taken from the reputation of the registered trade mark or of its holder.

Remedies

33. Where a trade mark registered in terms of this Act has been infringed, a court may grant the proprietor—

(a) an injunction;

(b) an order for removal of the infringing mark from all material and, where the infringing mark is inseparable or incapable of being removed from the material, an order that all such material be delivered up to the proprietor;

(c) destruction of any infringing product, article or product of which the infringing product forms an inseparable part;

(d) seizure and forfeiture of any materials and implements used in the creation of the infringing goods;

(e) damages, or an account of the profits derived from the infringement, including expenses incurred in curtailing the infringement; or

(f) in lieu of damages, at the option of the proprietor, a reasonable royalty which would have been payable by a licensee for the use of the trade mark concerned, including any use which took place after advertisement of the acceptance of an application for registration and which, if taking place after registration, would amount to infringement of the rights acquired by registration.

Acts of unfair competition

34.—(1) The Court may, on the request of—

(a) a right holder protected under this Act;

(b) a competent authority;

(c) an interested person or association; or

(d) an interested producers, manufacturers or traders,

grant an injunction to prevent an act of unfair competition, award damages or grant any other remedy as the court may deem appropriate.

(2) For purposes of this Act, any act of competition which is contrary to honest practices in industrial or commercial matters shall constitute an act of unfair competition.

(3) The following, in particular, shall be deemed to constitute acts of unfair competition—

(a) any act of such a nature as to create confusion by any means whatever with the establishment, the goods or the industrial or commercial activities of a competitor; or

(b) the making of a false allegation in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities of a competitor.

PART VI—WELL KNOWN, COLLECTIVE AND CERTIFICATION MARKS

35.—A trade mark shall not be registered—

Protection of
well known
mark

(a) if it is identical with, confusingly similar to, or constitutes a translation of, a trade mark or a trade name which is well known in Malawi as being already the trade mark of a person other than the applicant for registration and used for identical or similar goods or services; or

(b) if it is identical with, or confusingly similar to, or constitutes a translation of, a trade mark which is registered with respect to goods or services which are not similar to those with respect to which registration is applied for:

Provided that use of the trade mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well known mark and that the interests of the owner of the well known mark are likely to be damaged by such use.

36.—(1) In determining whether a trade mark is a well-known mark, the Registrar shall take into account any circumstances from which it may be inferred that the mark is well known.

Factors for
consideration
on well known
marks

(2) Without prejudice to the generality of subsection (1), the Registrar may consider any of the following factors in determining whether a trade mark is well known or not—

(a) the degree of knowledge or recognition of the mark in the relevant sector of the public;

(b) the duration, extent and geographical area of any use of the mark;

(c) the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods or services to which the mark applies;

(d) the duration and geographical area of any registrations or any applications for registration of the mark to the extent that they reflect use or recognition of the mark;

(e) the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities;

(f) the commercial value associated with the mark;

(g) the degree of inherent or acquired distinctiveness of the mark;

(e) the degree of exclusivity of the mark and the nature and extent of use of the same or a similar mark by third parties;

(f) the nature of the goods or services and the channels of trade for the goods or services that bear the mark; and

(g) the degree to which the reputation of the mark symbolises quality of goods.

Collective
marks

37.—(1) The Registrar may, on application, register a mark as a collective mark.

(2) An application for registration of a collective mark shall designate the mark as a collective mark and the application shall be accompanied by a copy of rules governing the use of the mark.

(3) For the purposes of subsection (2), “rules” means the rules made by a person under whose control the collective mark may be used.

(4) The registered owner of a collective mark shall notify the Registrar, in writing, of any changes made in respect of the rules governing the collective mark within sixty (60) days of such changes taking place.

(5) Subject to subsections (2), (3) and (4) the provisions of this Act shall apply to collective marks and where the term “trade mark” is used in the Act, it shall be construed to include the term “collective mark”.

(6) For purposes of this section, a collective mark is a mark that is capable of distinguishing in the course of trade goods or services of persons who are members of an association from goods or services of persons who are not members of such association.

Certification
marks

38.—(1) The Registrar may, on application, register a mark as a certification mark.

(2) A certification mark shall not be so registrable in the name of a person who carries on a trade in goods or services of the kind certified.

(3) The provisions of this Act shall apply to certification marks subject to the provisions of the First Schedule.

(4) For purposes of this section, a certification mark is a mark adapted to distinguish in the course of trade goods or services certified by any person in respect of origin, material, mode of manufacture, quality, accuracy, performance of services or other characteristic from goods or services not so certified.

PART VII—GEOGRAPHICAL INDICATIONS

39. Except as provided under this Part, the provisions of this Act shall apply to geographical indications.

Application of Act in relation to geographical indications

40. An application for the registration of a geographical indication, accompanied by such fees as may be prescribed, shall be made to the Registrar in the prescribed manner and shall contain—

Application for registration of geographical indication

(a) a request, in writing, that the geographical indication be registered;

(b) the geographical indication for which registration is sought;

(c) a description of the geographical area to which the geographical indication applies;

(d) the particulars or description of the goods to which the geographical indication applies;

(k) the quality, reputation or other characteristics of the goods for which the geographical indication is used;

(l) a certified copy of the rules governing the use of the geographical indication; and

(m) such other particulars as may be prescribed by the Minister from time to time.

41.—(1) Subject to section 42, the Registrar shall, if he is satisfied that the application complies with the requirements of this Part, accept the application for registration of a geographical indication and shall, within such time and in such manner as may be prescribed, publish that application in the Journal.

Acceptance of an application

42. A geographical indication shall not be registered if it is —

Grounds for refusal

(a) incapable of distinguishing goods originating from a particular territory, region or locality or does not possess characteristics attributed to that territory, region or locality in which those goods come from;

(b) contrary to public order or morality;

(c) likely to mislead the public or those in the trade as regards the geographical origin of the goods concerned, their nature or characteristics;

(d) in respect to goods, identical with the term usually used in common language as the common name for such goods in Malawi;

(e) not protected, has ceased to be protected or has fallen into disuse in its country of origin; or

(f) identical or similar to an existing registered trade mark or geographical indication that is likely to confuse the public.

Registration of
Geographical
indications

43.—(1) Where the Registrar is satisfied that the application for the registration of a geographical indication satisfies the requirements of this Act, and the application for registration of the geographical indication is not opposed within the prescribed period, or the application for registration of the geographical indication is opposed but the Registrar decides in the applicant's favour, the Registrar shall—

(a) register the geographical indication in the Register;

(b) issue to the applicant, a certificate of registration; and

(c) publish in the Journal, a reference to the registration of the geographical indication.

(2) Where the requirements for the registration of a geographical indication are not satisfied, or an application for the registration of a geographical indication is successfully opposed, the Registrar shall refuse to register the geographical indication.

Rights
conferred by
registration

44.—(1) Subject to the other provisions of this Act, the registration of a geographical indication shall give to the registered proprietor or authorized user thereof—

(a) the exclusive right to the use of the geographical indication in relation to the goods in respect of which the geographical indication is registered; and

(b) the right to obtain relief by way of injunction, award of damages or any other remedy as the court may deem fit in respect of infringement of the geographical indication as provided for under this Act.

(2) The exclusive right to the use of a geographical indication given under subsection (1) (a) shall be subject to any condition and limitation to which the registration is subject.

(3) Notwithstanding anything contained in any written law for the time being in force, any right to a registered geographical indication shall not be the subject matter of assignment, transmission, licensing, pledge, mortgage or any such other agreement unless it is assigned, transmitted, licensed, pledged or mortgaged to a producer who will produce the goods or carry out an activity within the geographical area specified in the Register and who does not dilute the characteristic features of the geographical indication.

45.—(1) A registered geographical indication is infringed by a person who, not being an authorized user thereof,— Acts of
infringement

(a) uses the geographical indication by any means in the designations or presentation of goods that indicates or suggests that such goods originate in a geographical area other than the true place of origin of such goods in a manner which misleads the persons as to the geographical origin of such goods even where the geographical indication used is accompanied by disclaimers or expressions such as “kind”, “type”, “style”, “imitation” or “the like”;

(b) uses the registered geographical indication for goods produced in the geographical area specified in the Register in respect of the geographical indication not possessing the quality, reputation or other characteristic specified in the Register; or

(c) uses a geographical indication—

(i) identifying wines for wines, or any such product as may be prescribed, not originating in the place indicated by the geographical indication in question; or

(ii) identifying spirits for spirits, or any such product as may be prescribed, not originating in the place indicated by the geographical indication in question.

PART VIII—OFFENCES AND OTHER PROHIBITED ACTS

46. A person who—

(a) makes or causes to be made a false entry in the Register, or a writing falsely purporting to be a copy of an entry in the Register; or

(b) produces or tenders or causes to be produced or tendered in evidence any such writing, commits an offence and shall, upon conviction, be liable to imprisonment for a term of seven (7) years or to a fine of three million Kwacha (K3, 000,000.00).

Falsification
of entries in
register

Falsely
representing a
registered
trade mark

47.— (1) A person who makes a representation—

(a) with respect to a trade mark not being a registered trade mark to the effect that it is a registered trade mark;

(b) with respect to a part of a registered trade mark not being a part separately registered as a trade mark to the effect that it is so registered;

(c) to the effect that a registered trade mark is registered in respect of any goods or services in respect of which it is not registered; or

(d) to the effect that the registration of a trade mark gives an exclusive right to the use thereof in any circumstances in which, having regard to any limitation entered on the register, the registration does not give the right,

commits an offence and shall, upon conviction, be liable to imprisonment for a term of ten (10) years or a fine of ten million Kwacha (K10,000,000).

(2) For the purposes of this section, the use in Malawi in relation to a trade mark of the word “registered” or of any other word referring, whether expressly or impliedly, to registration shall be deemed to import a reference to registration in the Register, except where the word—

(a) is used in physical association with other words delineated in characters at least as large as those in which the word is delineated and indicating that the reference is to registration as a trade mark under the law of a country outside Malawi, being a country under the law of which the registration referred to is in fact in force;

(b) is, being a word other than the word “registered”, of itself such as to indicate that the reference is to such registration as last aforesaid; or

(c) is used in relation to a mark registered as a trade mark under the law of another country and in relation to goods to be exported to that country.

Deceiving or
influencing
the Registrar

48. —(1) A person who—

(a) for the purpose of deceiving the Registrar or any other officer of the Trade Marks Office in the execution of this Act; or

(b) for the purpose of procuring or influencing the doing or omission of anything in relation to this Act,

makes or submits a false statement or representation, whether orally or in writing, knowing the same to be false commits an offence and

shall, upon conviction, be liable to imprisonment for seven (7) years and to a fine of three million Kwacha (K3,000,000.00).

49. A person who, knowingly and with intent to deceive, performs any of the acts referred to in section 45, commits an offence and on conviction shall be liable to imprisonment for five (5) years or to a fine of one million Kwacha (K1,000,000.00) if it is an individual, or to a fine of five million Kwacha (K5,000,000.00) if it is a body corporate.

Forgery of a geographical indication

50. —A person who—

(a) forges a registered trade mark or falsely applies to any goods or in relation to services any registered trade mark or any mark so nearly resembling a registered trade mark as to be calculated to deceive;

Forgery of trade marks and other prohibited acts

(b) falsely applies a registered trade mark to goods or in relation to services;

(c) makes a die, block, machine or other instrument for the purpose of forging, or of being used for forging a registered trade mark;

(d) disposes of, or has in his possession, a die, block, machine or other instrument, for the purpose of forging, or of being used for forging, a registered trade mark;

(e) without the consent of the proprietor of a registered trade mark—

(i) makes, imports or has in his possession any device for applying that registered trade mark to goods or in relation to services or representation of that registered trade mark;

(ii) makes any reproduction, replica or representation of that registered trade mark; or

(iii) imports any reproduction, replica, or representation of that registered trade mark otherwise than on goods and services to which they have been applied;

(f) makes, imports or has in his possession—

(i) any device for applying to any goods or in relation to any services a mark so nearly resembling a registered trade mark that is likely to deceive or cause confusion;

(ii) any reproduction, replica or representation of a mark, so nearly resembling a registered trade mark that is likely to deceive or cause confusion for the purpose of applying it to goods or in relation to services contrary to the provisions of this Part;

(iii) any covering bearing a mark so nearly resembling a registered trade mark that is likely to deceive or cause confusion in relation to goods and services contrary to the provisions of this Part,

commits an offence and shall upon conviction be liable to imprisonment for ten (10) years and to a fine of five million Kwacha (K5,000,000.00) and in addition, the court shall order the seizure or destruction of any goods or any instruments used in the commission of this offence or an order stopping the provision of services to which the offence relates.

(2) It is a sufficient defence to any charge under paragraph (b) or (c) of subsection (1) if a person concerned proves that—

(a) in the ordinary course of his business he was employed on behalf of other persons either to make dies, blocks, machines or other instruments for making or being used in making trade marks or as the case may be to apply trade marks to goods or in relation to services and that in the case which is the subject of the charge, he was so employed by some other person and was not interested in the goods or services by way of profit or commission dependent on the sale of the goods or performance of the services; or

(b) on request made by a police officer, he gave to the police officer information in his power with respect to the person on whose behalf the trade mark was applied.

Prohibition of
sale or
importation of
goods

51. —(1) Subject to subsection (2), a person who sells, imports, exports, lets for hire or distributes goods or performs any services to which—

(a) a forged registered trade mark is applied; or

(b) a registered trade mark is falsely applied:

commits an offence and shall upon conviction be liable to imprisonment for ten (10) years and to a fine of five million Kwacha (K5,000,000.00).

(2) It is a defence to any charge under subsection (1) if the person concerned proves that having taken all reasonable precautions against committing an offence under this section and on request made by a police officer or customs officer, he gave to the officer all the information in his possession with respect to the person from whom he obtained such goods.

Aiding and
abetting

52. —Any person who within Malawi procures, counsels, aids, abets or is accessory to the commission outside Malawi of any offence which, if committed within Malawi would be an offence under this Part, commits an offence and shall upon conviction be

liable to imprisonment for ten (10) years or to a fine of five million Kwacha (K5,000,000.00).

53. —Any person who, after having been sworn, wilfully gives false evidence before the Registrar or the Appeals Tribunal concerning the subject matter of the proceeding in question, knowing such evidence to be false or not knowing or believing it to be true commits an offence and shall upon conviction be liable to imprisonment for three (3) years or a fine of one million Kwacha (K1,000,000).

Witness
giving false
evidence

54. —(1) In this Part, “Commissioner General” shall have the meaning assigned to it in section 2 of the Malawi Revenue Authority Act.

Importation of
infringing
goods
Cap. 41:02

(2) A proprietor or licensee of a registered trade mark may give notice in writing to the Commissioner General that he is the proprietor or a licensee of the registered trade mark.

(3) Upon receipt of the notice, the Commissioner General shall take all necessary steps to ensure that imported goods, materials or articles are not infringing the registered trade mark.

(4) When a notice is in force under this section, the importation of the goods to which the notice relates, otherwise than by a person for his private and domestic use, is prohibited; but a person is not by reason of the prohibition liable to any penalty other than forfeiture of the goods.

(5) In addition to the notice given under subsection (2), the proprietor or licensee of the registered trade mark may, from time to time, inform the Commissioner General that in relation to the registered trade mark, infringing goods, materials or articles are expected to arrive in Malawi and that he requests the Commissioner General to treat them as prohibited goods.

(6) When giving notice under subsection (5), the proprietor or licensee shall specify the time when, and the place where, the infringing goods, materials or articles are expected to arrive in Malawi.

55.—(1) The Commissioner General may make regulations prescribing the form in which notice is to be given under section 54 and requiring a person giving notice to—

Power of
Commissioner
General

(a) furnish the Commissioner General with such information or evidence as may be specified in the regulations, when giving notice under section 54 (2) and(5); and

(b) comply with such other conditions as may be specified in the regulations.

(2) The regulations may, in particular, require a person giving the notice to—

(a) furnish sufficient information and particulars of the trade mark;

(b) pay such fees in respect of the notice as may be specified by the regulations;

(c) give such security as may be so specified in respect of any liability or expense which the Commissioner General may incur in the process of protecting the trade mark; or

(d) indemnify the Commissioner General against any such liability or expense, whether security has been given or not.

Power of
Commissioner
General to
disclose
information

56.—Where the Commissioner General obtains information relating to infringing goods, material or articles for the purposes of, or in connection with, the exercise of their functions in relation to imported goods, the Commissioner General may authorise the disclosure of that information for the purpose of facilitating the exercise by any person of any function in connection with the investigation or prosecution of an offence under this Act.

PART IX—INTERNATIONAL MATTERS

Convention
arrangements

57. Where Malawi ratifies or accedes to any international instrument relating to trade marks, the Minister shall, by notice published in the *Gazette*, declare that Malawi has become a member to a particular instrument with effect from the date stated in such notice and shall include the international instrument in the Second Schedule.

PART X—ESTABLISHMENT OF AN APPEALS TRIBUNAL, APPEALS AND OTHER LEGAL PROCEEDINGS

Establishment
of an Appeals
Tribunal

58.—(1) There is hereby established an Appeals Tribunal responsible for hearing appeals from the Registrar.

(2) The Appeals Tribunal shall be presided over by a single Judge appointed by the Chief Justice.

(3) The Appeals Tribunal shall develop its own rules but where such rules are not developed, the Appeals Tribunal shall be governed by rules of the High Court Commercial Division.

(4) Any person aggrieved by a decision of the Registrar under this Act may within thirty (30) days of such decision appeal to the Appeals Tribunal.

(5) If a person is further aggrieved by the decision of the Appeals Tribunal, he may within twenty one (21) days appeal to the Supreme Court of Appeal.

59. —Any action or legal proceeding relating to the infringement or passing off of a trade mark shall be brought in the High Court Commercial Division.

Infringement
or passing off

60. —Where an applicant wishes to make an application under any provisions of this Act, the application shall first be made to the Registrar.

Registrar's
original
jurisdiction

61. Where any matter to be decided by the Registrar under this Act appears to him to involve a point of law or to be of unusual importance or complexity, he may, after giving notice to the parties, refer such matter to the Appeals Tribunal for a decision and shall thereafter, in relation to such matter act in accordance with the decision of the Appeals Tribunal or any decision substituted therefor on appeal to the Supreme Court.

Reference to
Appeals
Tribunal by
Registrar

62. —(1) Subject to section 75, evidence in any proceedings before the Registrar under this Act shall be given by affidavit but the Registrar may, if he thinks fit in any particular case, take oral evidence as aforesaid in lieu or in addition to such evidence as aforesaid and may allow any witness to be cross-examined on his affidavit or oral evidence.

Proceedings
before the
Registrar

(2) The powers, rights and privileges of the Registrar in proceedings before him under this Act shall be the same as those conferred upon commissioners by the Commissions of Inquiry Act and sections 9, 10 and 12 of that Act and so much of the regulations made under it as are applicable shall, *mutatis mutandis*, apply in relation to the hearing and determination of any matter before the Registrar under this Act and to any person summoned to give evidence or giving evidence before him.

Cap. 18:01

(3) A party may, in any proceedings before the Registrar under this Act, be represented by counsel.

63. The Registrar may in any proceeding held before him decide the hours, times and places at which he will sit and he may adjourn any proceedings for such time and to such place as he may think fit.

Power of
Registrar to
fix time and
place

64. In any legal proceeding relating to a registered trade mark the fact that a person is registered as proprietor of the trade mark shall be *prima facie* evidence of the validity of the original registration of the trade mark and of all subsequent assignments and transmissions thereof.

Registration to
be *prima facie*
evidence of
validity

Market survey
evidence

65. In any action or proceeding relating to a trade mark or trade name, the Appeals Tribunal or the Registrar, shall admit evidence of the usages of the trade mark concerned and of any relevant trade mark or trade name or get-up legitimately used by other persons.

Registrar's
appearance in
proceedings

66. —(1) In any legal proceeding in which the relief sought includes alteration or rectification of the Register, the Registrar shall have the right to appear and be heard, and shall appear if so directed by the Appeals Tribunal.

(2) Unless otherwise directed by the Appeals Tribunal, the Registrar, in lieu of appearing and being heard, may submit to the Appeals Tribunal a statement in writing signed by him, giving particulars of the proceedings before him in relation to the matter in issue or of the grounds of any decision given by him affecting it or of the practice of the Trade Marks Office in like cases or of such other matters relevant to the issues, and within his knowledge as Registrar, as he thinks fit, and the statement shall be deemed to form part of the evidence in the proceeding.

Discretion of
the Appeals
Tribunal in
appeals

67. In any appeal from a decision of the Registrar to the Appeals Tribunal, the Appeals Tribunal shall, in adjudicating on the matter, have and exercise the same discretionary powers as under this Act are conferred upon the Registrar.

Security for
costs

68. —(1) When a party to proceedings before the Registrar or the Appeals Tribunal or an appellant is resident outside Malawi, the Registrar or the Appeals Tribunal may order such party or appellant to give security, within such time as may be directed, for the costs of the proceedings or appeal.

(2) If the party or appellant ordered to give security for costs fails to do so within the time directed, the Registrar or the Appeals Tribunal may treat the proceedings or appeal as abandoned.

(3) Where a bond is to be given as security for costs, it shall, unless the Registrar or the Appeals Tribunal otherwise directs, be given to the party requiring the security.

(4) Unless otherwise agreed between the parties, any costs awarded in terms of section 51 (5) shall be taxed by the Registrar of the Appeals Tribunal in accordance with rules made under this Part which taxation shall be subject to appeal to the Appeals Tribunal, and any such costs may be recovered by action in a court of competent jurisdiction.

Power to
award and fax
costs

69. —(1) In all proceedings before the Registrar under this Act, the Registrar shall have power to award to any party such costs as he may consider reasonable and to direct how and by what parties they are to be paid.

(2) Any costs awarded by the Registrar shall be taxed by the Registrar and payment thereof may be enforced in the same manner as if they were costs allowed by the Appeals Tribunal.

PART XI—TRADE MARK AGENTS

70. —(1) Subject to subsection (2), where an act has to be done under this Act by a person in connection with the registration of a trade mark, geographical indication, collective mark, certification mark or of any other thing which may be done under this Act, such person may either do it himself or through a trade mark agent. Trade mark agents

(2) Where an applicant's ordinary residence or principal place of business is outside Malawi, he shall be represented by a trade mark agent resident and entitled to practice in Malawi.

(3) A person shall be qualified to act as a trade mark agent if the person is resident in Malawi and—

(a) is a legal practitioner entitled to practice in the High Court of Malawi; or

(b) is admitted to practice as a trade mark agent before the Institute of Patents and Trade Mark Agents of Malawi.

71. The Registrar shall keep a register of trade mark agents in Malawi and may remove from the register of trade mark agents the name of any trade mark agent upon proof to his satisfaction that the trade mark agent— Trade Mark agents register

(a) has died;

(b) has become of unsound mind;

(c) has been adjudged or otherwise declared bankrupt or insolvent under any law, or has made an assignment to or composition with his creditors;

(d) has ceased to reside in Malawi, or has ceased to maintain a place of business in Malawi;

(e) has applied for his name to be so removed;

(f) has been convicted, in Malawi or elsewhere, of an offence and sentenced to serve a term of imprisonment without the option of a fine, whether such sentence is suspended or not; or

(g) having been entitled to practise as a trade mark agent has ceased to be so entitled, or has ceased to practice as such.

PART XII—MISCELLANEOUS

- Jointly owned trade marks **72.** —(1) Where the relations between two or more persons interested in a trade mark are such that none of them is entitled as between himself and the other or others of them to use it except—
- (a) on behalf of both or all of them; or
- (b) in relation to an article with which both or all of them are connected in the course of trade, those persons may be registered as joint proprietors of the trade mark, and this Act shall have effect in relation to any rights to the use of the trade mark vested in those persons as if those rights had been vested in a single person.
- (2) Subject as aforesaid, nothing in this Act shall authorize the registration of two or more persons who use a trade mark independently, or propose so to use it, as joint proprietors thereof.
- Lodging and authentication of documents **73.** —(1) Any application, notice or document authorized or required under this Act to be lodged, made or given at the Trade Marks Office or to the Registrar or to any other person may be delivered by hand or sent electronically or by registered post.
- (2) The Minister may make regulations for the proper lodging and authentication of documents sent electronically.
- Provision as to fees **74.** —(1) Where under this Act a fee is payable in respect of the—
- (a) performance of any act by the Registrar, the Registrar shall not perform that act until the fee has been paid;
- (b) doing of any act by any person other than the Registrar, the act shall be deemed not to have been done until the fee has been paid; or
- (c) lodging of a document, the document shall be deemed not to have been lodged until the fee has been paid.
- (2) All fees shall be paid at the Trade Marks Office in such manner as the Registrar, with the approval of the Minister, may prescribe.
- Oaths and affirmation **75.** Any person who is required under this Act to take any oath or swear to the truth of any affidavit may, in lieu thereof, make an affirmation or declaration in accordance with the law relating to affirmations or declarations. (Cap 4:07)
- Trade Marks Journal **76.** —(1) The Registrar shall, once every month, publish the Trade Marks Journal.
- (2) When publishing the Trade Marks Journal, the Registrar shall ensure that the Journal uses Internationally Agreed Numbers for Identification of Data.

(3) The Trade Marks Journal shall contain the following information—

- (a) particulars of applications for trade marks;
- (b) particulars of applications accepted by the Registrar;
- (c) rulings made by the Registrar;
- (d) notices of opposition to trade mark applications; and
- (e) any other matters arising under this Act.

(4) The Registrar shall sell copies of the Trade Marks Journal at such price and in such a manner as the Minister may prescribe.

77. —(1) The Minister may make regulations prescribing anything which under this Act is to be prescribed and generally for the better carrying out of the objects and purposes of this Act or to give force or effect to its provisions or for its better administration. Power to
make
regulations

(2) Without prejudice to the generality of subsection (1), regulations made by the Minister may provide for—

- (a) regulating the practice under this Act, including the service of documents;
- (b) classifying goods or services for the purposes of registration of trade marks;
- (c) prohibiting the registration of any mark on the grounds of morality, public policy or other good and sufficient reason;
- (d) making or requiring duplicate representations of trade marks and other documents;
- (e) for securing and regulating the publishing and selling or distributing, in such manner as he thinks fit, of copies of trade marks and other documents;
- (f) fees which may be charged in relation to the conduct of trade mark business by trade mark agents;
- (g) the professional conduct of trade mark agents;
- (h) generally regulating the business of the Trade Marks Office in relation to trade marks and all things by this Act placed under the direction or control of the Registrar.

(3) The Minister shall also prescribe a tariff, not inconsistent with this Act, of the fees which shall be payable in respect of any application, registration and other matters under this Act and the fees shall be payable as so prescribed.

78. The Trade Marks Act is hereby repealed.

Repeal of
Cap. 49:01

- Savings
- 79.** —(1) Trade marks registered under the Trade Marks Act (now repealed) shall remain in force until their expiry and shall be deemed to have been registered under this Act.
- (2) Trade marks already registered and due for renewal shall, upon renewal, be reclassified in accordance with the International classification as provided under this Act.
- (3) The Registrar may, in case of trade marks registered in Part B of the Register under the Trade Marks Act (now repealed) and upon application by the proprietor of such mark and having shown that the mark has acquired distinctiveness through use, register that mark in the Register.
- (4) Any regulations made under the Trade Marks Act (now repealed) shall, unless inconsistent with the provisions of this Act, remain in force and shall have the same effect as if they were made under this Act.
- (5) Any document referring to any provision of the Trade Marks Act (now repealed) shall be construed as referring to the corresponding provision of this Act.

FIRST SCHEDULE

s.38

CERTIFICATION MARKS RULES

- 1.**—(1) An application for the registration of a certification mark under section 38 must be made to the Registrar in writing in the prescribed manner by the person proposed to be registered as the proprietor thereof.
- (2) An applicant for the registration of a certification mark under section 38 shall transmit to the Registrar draft regulations for governing the use thereof at such time before the decision of the Registrar on the application as he may require in order to enable him to consider the draft.
- (3) The regulations must indicate who is authorized to use the mark, the characteristics to be certified by the mark, how the certifying body is to test those characteristics and to supervise the mark, the fees, if any, to be paid in connection with the operation of the mark and the procedure for resolving disputes.
- (4) Subject to this Act, the Registrar may refuse the application or may accept it and approve the regulations either without modification and unconditionally or subject to any conditions or limitations or to any amendments or modifications of the application or of the regulations, which he thinks requisite.
- (5) In dealing with an application under section 38, the Registrar, or the Appeals Tribunal in the event of an appeal from a decision of the Registrar, shall have regard to the like considerations, so far as relevant, as if the application were

an application under section 6 and to any other considerations relevant to applications under section 38, including the desirability of securing that a certification mark shall comprise some indication that it is such a certification mark, and including also the following matters—

(a) whether the applicant is competent to certify the goods in respect of which the mark is to be registered;

(b) whether the draft regulations comply with paragraph 1 (3) and are not contrary to public policy or morality; and

(c) whether in all the circumstances the registration applied for would be to the public advantage.

2. A certification mark shall not be registered if the proprietor carries on a business involving the supply of goods or services of the kind certified.

3. When an application has been accepted, the applicant shall, as soon as possible thereafter, advertise the application as accepted in the prescribed manner, and section 9 shall have effect in relation to the registration of the mark as if the application had been an application under section 7.

4.— A certification mark shall not be registered unless the regulations governing the use of the mark have been deposited together with the application to register the mark

5.—(1) The regulations deposited in respect of a certification trade mark may, on application by the registered proprietor, be altered by the Registrar.

(2) The Registrar may direct that an application for an alteration under this paragraph shall be advertised in any case where it appears to him that it is expedient so to do, and where an application has been so advertised, if within the prescribed time from the date of the advertisement any person gives notice to the Registrar of opposition to the application, the Registrar shall not decide the matter without giving the parties an opportunity of being heard.

6.—(1) On the application, in the prescribed manner of any person aggrieved or of his own motion, the Registrar may make such order as he thinks fit for removing or varying any entry in the Register relating to a certification mark or for varying the deposited regulations on the ground—

(a) that the proprietor is no longer competent, in the case of any of the goods or services in respect of which the trade mark is registered, to certify those goods or services;

(b) that the proprietor has failed to observe a provision of the deposited regulations;

(c) that it is no longer to the public advantage that the trade mark should be registered; or

(d) that it is requisite for the public advantage that, if the trade mark remains registered, the regulations should be varied.

7. Notwithstanding anything in section 70 the Registrar shall not have any jurisdiction to award costs to or against any party on an appeal to him against a refusal of the proprietor of a certification mark to certify goods or services or to authorize the use of the trade mark.

8. A certification mark shall not be assignable or transmissible otherwise than with the consent of the Registrar

9. The registration of a certification mark may be revoked on the ground that—

(a) the proprietor has begun to carry on a business involving the supply of goods or services of the kind certified;

(b) the manner in which the mark has been used by the proprietor has caused it to become liable to mislead the public by its character or significance, in particular, if it is likely to be taken as something other than a certification mark;

(c) the proprietor has failed to observe or to secure the observance of the regulations governing the use of the certification mark;

(d) an amendment of the regulations has been made so that the regulations no longer comply with paragraph 1 (3) or are contrary to public policy or morality; or

(e) the proprietor is no longer competent to certify the goods or services for which the mark is registered.

SECOND SCHEDULE

s.57

International Instruments

1. Banjul Protocol on marks within the framework of the African Regional Intellectual Property Organization, as revised from time to time.
2. Paris Convention for the Protection of Industrial Property, as revised from time to time.
3. Nice Agreement Concerning the International Classification of Goods and Services for the purposes of Registration of Marks, as revised from time to time.
4. Vienna Agreement concerning the classification of figurative elements of marks as revised from time to time.

**THE COMPANY AND INTELLECTUAL
PROPERTY OFFICE BILL, 20...**

ARRANGEMENT OF SECTIONS

PART I—PRELIMINARY

SECTION

1. Short title and commencement
2. Interpretation

PART II—THE COMPANY AND INTELLECTUAL PROPERTY OFFICE

3. Establishment of the Office
4. Seal of the Office
5. Functions of the Office
6. Board of the Office
7. Tenure of office and vacancy
8. Proceedings of the Board
9. Committees of the Board
10. Allowances of members
11. Disclosure of interest
12. Prohibition of publication of, or disclosure of information to unauthorized persons
13. Immunity of members of the Board and staff of the Office
14. Registrar and other staff
15. Assistant Registrars and other staff

PART III—FINANCIAL PROVISIONS

16. Fund of the Office
17. Financial year
18. Accounts
19. Annual Report

PART IV—GENERAL PROVISIONS

20. Regulations
21. Savings and transitional provisions

A BILL*entitled*

An Act to establish the Company and Intellectual Property Office, provide for the functions of the Office and provide for matters connected therewith and incidental thereto.

ENACTED by the Parliament of Malawi as follows—

PART I—PRELIMINARY

1. This Act may be cited as the Company and Intellectual Property Office Act, 20...; and shall come into operation on such date as the Minister may, by notice in the *Gazette*, appoint.

Short title and commencement

- Interpretation **2.** In this Act, unless the context otherwise requires—
- “appointed date” means such date of commencement as the Minister may appoint under section 1;
- “Assistant Registrar” means a person appointed as Assistant Registrar under section 15;
- “Board” means the Board of the Office constituted under section 6;
- “Chairperson” means the person appointed as Chairperson under section 6;
- “Department” means the offices of the Registrar of Companies, Registrar of Business Names, Registrar of Patents, Registrar of Trade Marks, Registrar of Registered Designs and the Copyright Administrator.
- “legal practitioner” has the meaning assigned to it in the Legal Education and Legal Practitioners Act;
- “Office” means the Company and Intellectual Property Office established under section 3;
- “Registrar” means the person appointed as Registrar under section 14; and
- “Vice-Chairperson” means the person appointed as Vice-Chairperson under section 6.

PART II—THE COMPANY AND INTELLECTUAL PROPERTY OFFICE

- Establishment of the Office **3.** There is hereby established the Company and Intellectual Property Office which shall be a body corporate with perpetual succession and a common seal, capable of suing and of being sued in its corporate name, and with the power, subject to the provisions of this Act, to do all such acts and things as a body corporate may, by law, do or perform.

- Seal of the Office **4.** —(1) The common seal of the Office shall be such device as may be determined by the Office and shall be kept by the Registrar.

(2) The affixing of the common seal shall be authenticated by the Chairperson or the Vice-Chairperson and the Registrar or one other person authorized in that behalf by a resolution of the Board:

 Provided that where the Office is registering industrial property rights or registering or incorporating any company, firm or business entity, the affixing of the common seal shall be authenticated by the Registrar.

(3) Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not be required to be

under seal, may be entered into or executed without seal on behalf of the Office by the Registrar or any other person generally or specifically authorised by the Board in that behalf.

(4) Any document purporting to be a document under the seal of the Office or issued on behalf of the Office shall be received in evidence and shall be executed or issued, as the case may be without any further proof, unless the contrary is proved.

(5) On the commencement of this Act, any impression of a seal made for the purposes of the Acts administered by the Office before the commencement of this Act shall be deemed to be an impression of the seal of the Office.

5. —(1) The functions of the Office are to—

(a) administer the Companies Act, the Business Names Registration Act, the Patents Act, the Trade Marks Act, the Registered Designs Act and the Copyright Act;

(b) receive and investigate any complaint of alleged or suspected breach of this Act or the Acts referred to in paragraph (a) and, subject to the directives of the Director of Public Prosecutions, prosecute offences under those Acts;

(c) collect, collate and disseminate information on the law relating to the Acts referred to in paragraph (a);

(d) advise Government on all matters pertaining to the Acts referred to in paragraph (a); and

(e) do all such other things as are necessary or incidental to the performance of its functions under this Act.

(2) The Office may—

(a) determine and levy fees that the Office considers necessary to finance its activities under this Act; and

(b) determine what portion of any fee is payable in respect of any part of a year and the date on which the fee or portion thereof is payable.

6. —(1) There is hereby established the Board of the Office which shall be the governing body of the Office and shall exercise and perform the powers and functions of the Office.

(2) The Board shall consist of the following part-time members appointed by the Minister—

(a) a representative of the Ministry responsible for commerce;

(b) a representative of the Attorney-General;

Function of
the Office

Cap. 46:03
Cap. 46:02
Cap. 49:02
Cap. 49:01
Cap. 49:05
Cap. 49:03

Board of the
Office

(c) a representative of the Law Society of Malawi;

(d) a representative of the Malawi Chamber of Commerce and Industry; and

(e) one scientific researcher with expertise in matters of intellectual property.

(3) The Minister shall appoint the Chairperson and the Vice-Chairperson from among the members.

(4) A person shall not be nominated or appointed as a member of the Board if that person—

(a) has been convicted of an offence punishable by a custodial sentence without the option of a fine;

(b) is under any written law, adjudged or otherwise declared to be of unsound mind; or

(c) is adjudged or declared bankrupt under any written law.

Tenure of
office and
vacancy

7. —(1) Subject to the other provisions of this Act, a member of the Board shall hold office for a period of three years from the date of appointment and may be re-appointed for a further and final like period.

(2) Subject to the other provisions of this Act, a member shall, on the expiration of the period for which the member is appointed, continue to hold office until another member is appointed to succeed that member.

(3) The office of a member becomes vacant—

(a) upon the member's death;

(b) if the member is adjudged bankrupt;

(c) if the member is absent from three consecutive meetings of the Board of which the member has had notice, without the prior approval of the Board;

(d) upon the expiry of one month's notice of the member's notice to resign from office, given by the member in writing to the Board;

(e) if the member becomes mentally or physically incapable of performing the duties of a member of the Board;

(f) if the member ceases to be a member of the organisation which nominated the member; or

(g) if the member is convicted of an offence under this Act or any other offence punishable with a custodial sentence without the option of a fine.

(4) The Minister shall, where the office of a member becomes vacant, appoint another member in place of the member who vacates office, and such member shall hold office for the remainder of the term, but such remainder of the term shall not be considered as a term for the purposes of section 7.

(5) A member may resign from office by giving one month's notice in writing to the Minister.

8. —(1) Subject to the other provisions of this Act, the Board shall regulate its own procedure.

Proceedings of
Board

(2) The Board shall meet for the transaction of business, at least once in every three months at such places and times as the Chairperson shall determine.

(3) An ordinary meeting of the Board shall be called by the Chairperson upon giving a written notice of not less than fourteen days.

(4) The Chairperson—

(a) may, at his own instance, convene an extraordinary meeting of the Board; or

(b) shall, at the written request of three (3) or more members and within seven (7) days of the request, convene an extraordinary meeting of the Board.

(5) The quorum of the Board shall be three members.

(6) There shall preside at any meeting of the Board—

(a) the Chairperson;

(b) in the absence of the Chairperson the Vice-Chairperson; and

(c) in the absence of both the Chairperson and the Vice-Chairperson, such member as the members present and forming quorum may elect from amongst themselves for the purpose of that meeting.

(6) A decision of the Board on any question shall be by a majority of votes of the members present and voting at the meeting and, in the event of an equality of votes, the person presiding at the meeting shall have, in addition to a deliberative vote, a casting vote.

(7) The Board may invite any person whose presence is in its opinion desirable to attend and to participate in the deliberations of a meeting of the Board but such person shall not be entitled to vote.

(8) The validity of any proceedings, act or decision of the Board shall not be affected by any vacancy in the membership of the Board or by any defect in the appointment of any member or by reason that any person not entitled to do so, took part in the proceedings.

(9) The Board shall keep minutes of proceedings of every meeting of the Board and every meeting of any committee established by the Board.

Committees of
the Board

9. —(1) The Board may, for the purpose of performing its functions under this Act, constitute any committee and delegate to any such committee such of its functions as it thinks fit.

(2) The Board may appoint as members of a committee constituted under subsection (1), persons who are or are not members of the Board and such persons shall hold office for such period as the Board may determine.

(3) A committee of the Board shall regulate its own procedure.

Allowances of
members

10. There shall be paid to members of the Board or members of any committee of the Board such allowances as the Board may, with the approval of the Minister, determine.

Disclosure of
interest

11. —(1) If a member or person is present at a meeting of the Board or a committee of the Board at which any matter, in which that person or any member of the person's immediate family, is directly or indirectly interested in a private capacity, is the subject of consideration, that person or member shall, as soon as is practicable after the commencement of the meeting, disclose that interest and shall not, take part in any consideration or discussion of, or vote on any question relating to, that matter.

(2) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made.

(3) A person who contravenes subsection (1) commits an offence and is liable to a fine of one million Kwacha (K1,000,000) and to imprisonment for two years.

Prohibition of
publication of,
or disclosure
of information
to unauthori-
zed persons

12. —(1) A member of the Board or an employee of the Office shall not, without the consent in writing given by or on behalf of the Board, publish or disclose to any unauthorised person, otherwise than in the course of duties of that person, the contents of any document, communication or information whatsoever, which has come to the knowledge of that person in the course of that person's duties under this Act.

(2) A person who contravenes subsection (1) commits an offence and shall, upon conviction, be liable to a fine of one million Kwacha (K1,000,000.00) and to imprisonment for two years.

(3) A person who, having any information which, to the knowledge of that person, has been published or disclosed in contravention of subsection (1), unlawfully publishes or communicates the information to any other person, commits an offence and is liable, upon conviction, to a fine of one million Kwacha (K1,000,000.00) and to imprisonment for two years.

13. A court action or other proceedings shall not lie or be instituted against a member of the Board or a committee of the Board, or a member of staff of the Office, for or in respect of any act or thing done or omitted to be done in good faith in the exercise or performance, or purported exercise or performance, of any of the powers, functions or duties conferred under this Act.

Immunity of members of Board and staff of the Office

14. —(1) The Office shall appoint, on such terms and conditions as it may determine, a Registrar who shall be the chief executive officer of the Office.

Registrar and other staff

(2) The Registrar shall be an *ex-officio* member of the Board.

(3) The Registrar shall have all the powers as are provided for, and exercised under the Companies Act, the Business Names Registration Act, the Patents Act, the Trade Marks Act, the Registered Designs Act and the Copyright Act.

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Cap. 46:02
Cap. 49:02
Cap. 49:05
Cap. 49:03

(4) A person shall not be appointed as Registrar unless the person is a legal practitioner with ten years legal experience.

15. The Office may appoint, on such terms and conditions as it may determine, Assistant Registrars and such other staff as it considers necessary for the performance of its functions under this Act.

Assistant Registrars and other staff

PART III—FINANCIAL PROVISIONS

16. —(1) The funds of the Office shall consist of such moneys as may—

Fund of the Office

(a) be appropriated to the Office by Parliament for the purposes of the office;

(b) be paid to the Office by way of fees, loans, grants or donations; or

(c) otherwise vest in or accrue to the office.

(2) The Office may—

(a) accept moneys by way of grants and donations from any source within or outside Malawi; or

(b) subject to the approval of the Minister, raise by way of loans or otherwise, such moneys as it may require for the discharge of its functions.

(3) The Office may, for its services, charge and collect such fees as may be prescribed by the Office subject to the approval of the Minister.

(4) There shall be paid from the funds of the Office—

(a) salaries, allowances, loans, gratuities and pensions of the staff of the Office and other payments for the recruitment and retention of the staff;

(b) such reasonable travelling, subsistence and other allowances for members of the Board or any committee of the Board when engaged in the business of the Office at such rates as the Board may, with the approval of the Minister, determine; and

(c) any other expenses incurred by the Office in the performance of the its functions under this Act.

(4) The Board may, with the approval of the Minister, invest in such manner as it considers appropriate such funds of the office as it does not immediately require for the discharge of its functions.

Financial year **17.** The financial year of the office shall be the period of twelve months ending on 31st June of each year.

Accounts **18.** —(1) The Office shall keep proper books of accounts and other records relating to its accounts.

(2) The accounts of the Office shall be audited annually by the Auditor-General or an independent auditor appointed by the Office with the approval of the Auditor General.

(3) The auditor's fees shall be paid by the Office.

Annual Report **19.** —(1) As soon as practicable, but not later than ninety days after the end of the financial year, the office shall submit to the Minister a report concerning its activities during the financial year.

(2) The report referred to in subsection (1) shall include information on the financial affairs of the Office and there shall be appended to the report—

(a) an audited balance sheet;

(b) an audited statement of income and expenditure; and

(c) such other information as the Minister may require.

(3) The Minister shall, not later than seven days after the first sitting of Parliament next after receipt of the report referred to in subsection (1), lay the report before Parliament.

PART V—GENERAL PROVISIONS

20. The Minister may, by statutory instrument, on the recommendation of the Office, make regulations for the better carrying out of the provisions of this Act.

Regulations

21. The Department constituted pursuant to section 324 of the Companies Act, section 18 of the Business Names Registration Act, section 3 of the Patents Act, section 3 of the Trade Marks Act, section 3 of the Registered Designs Act and section 41 of the Copyright Act respectively, shall stand dissolved on the appointed date .

Dissolution
Departments
Cap 46:03
Cap 46:02
Cap 49:02
Cap 49:01
Cap 49:05
Cap 49:03

22. —(1) For the avoidance of doubt, a person who, before the commencement of this Act, was an officer or employee of the Department, shall continue to be an officer or employee of the Office, as the case may be, as if appointed or employed under this Act.

Staff of the
Department

(2) The service of the persons referred to in subparagraph (1) shall be treated as continuous service.

(3) Nothing in this Act, affects the rights and liabilities of any person employed or appointed by the Department before the commencement of this Act.

24. —(1) On or after the appointed date, there shall be transferred to, vest in and subsist against the Office by virtue of this Act and without further assurance—

Savings and
transitional
provisions

(a) the affairs of the Department; and

(b) subject to this Act, all property, rights and obligations which immediately before the appointed date were the property, rights and obligations of the Department.

(2) Except as provided in this Act, every deed, bond and agreement, other than an agreement for personnel service, to which the Government was a party immediately before the appointed date, whether or not of such a nature that rights, liabilities and obligations could be assigned, shall, unless its subject matter or terms make it impossible that it should have effect as modified, as provided under this paragraph, have effect as if—

(a) the Office had been party to it;

(b) for any reference to the Government there was substituted, with respect to anything falling to be done on or after the commencement of this Act, a reference to the Office; or

(c) for any reference to any officer of the Department, not being a party to it and beneficiary interested, there were substituted, in respects to anything falling to be done on or after the commencement of this Act a reference to such officer of the Office as the office shall designate.

(3) Where under this Act, any assets, rights, liabilities and obligations of the Government are deemed to be transferred to the Office in respect of which transfer a written law provides for registration, the Office shall make an application in writing to the appropriate registration authority for registration of the transfer.

(4) The registration authority, referred to in subparagraph (3), shall make such entries in the appropriate register as shall give effect to the transfer and, where applicable, issue to the transferee concerned a certificate of title in respect of the property or make necessary amendments to the register and shall endorse the deeds relating to the title, right or obligation concerned and no registration fees or other duties shall be payable in respect of the transaction.

Legal
proceedings

25.—(1) Any legal proceedings or application of the Government pending immediately before the appointed date by or against the Government may be continued by or against the Office.

THE COMPANY AND INTELLECTUAL PROPERTY OFFICE BILL, 20...

The objects of this Bill are to—

(a) establish the Company and Intellectual Property Office;

(b) provide for the functions of the Office;

(c) transfer from the Government to the Office, the functions and the powers of the offices of the Registrar of Companies, Registrar of Business Names, Registrar of Patents, Registrar of Trade Marks and Registrar of Registered Designs; and

(d) provide for matters connected with, or incidental to, the foregoing.

Law Commission Report No. 25



MALAWI LAW COMMISSION

**REPORT OF THE LAW COMMISSION
ON THE
REVIEW OF THE TRADE MARKS ACT**

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