

## PROTECTING ORPHAN RIGHTS: THE ROLE OF PASSING OFF IN SECURING UNREGISTERED AND UNREGISTRABLE INTELLECTUAL PROPERTY RIGHTS

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### Abstract

While intellectual property law primarily protects registered rights, many valuable assets—such as unregistered trademarks, trade dress, character merchandising, and goodwill in geographical indications remain outside statutory frameworks. These “orphan rights” play a vital role in preserving market identity and consumer trust but are often vulnerable to exploitation due to their unregistered status. This paper examines the common law tort of passing off as a key remedy for protecting such rights. Passing off prevents misrepresentation and consumer confusion, thereby safeguarding the goodwill associated with unregistered intellectual property. Employing the doctrinal method of research, the study draws on statutes, judicial decisions, and scholarly commentary to assess how passing off can shield unregistered marks, deter imitation of trade dress and designs, and address misuse in character merchandising and geographical indications. It also evaluates the limitations of the tort, particularly in light of digital commerce and globalization. The paper concludes that passing off remains essential for bridging gaps in statutory protection and recommends a more integrated approach that combines common law and legislative mechanisms to enhance protection for orphan rights.

**Keywords:** Passing off, Orphan rights, Unregistered trademarks, Goodwill, and Common law remedy

### 1.0 Introduction

Intellectual property (IP) rights are safeguarded through a dual framework of statutory provisions and common law principles. Statutory IP laws provide a structured basis for recognizing and enforcing rights, while common law complements these statutes by offering flexible remedies for situations not explicitly covered by legislation. This interplay ensures fairness and adaptability, addressing the evolving needs of creators, businesses, and consumers. Statutory frameworks establish distinct categories of IP rights with specific requirements for their recognition and enforcement. Copyright law, for instance, protects original literary, artistic, and musical works. In Nigeria, copyright is governed by the Copyright Act 2022, while the United Kingdom relies on the Copyright, Designs and Patents Act 1988. Both statutes provide

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creators with exclusive rights to reproduce, distribute, and license their works. Justice Peterson's observation in *University of London Press Ltd v University Tutorial Press Ltd*<sup>2</sup> captures the essence of copyright: "What is worth copying is prima facie worth protecting." Cornish and Llewelyn emphasise the balance copyright strikes, granting monopoly-like protection to expressions of ideas while keeping ideas themselves in the public domain to foster innovation.<sup>3</sup>

Trademark law similarly protects brand identity and consumer trust by safeguarding marks that distinguish goods or services. In Nigeria, trademarks are regulated by the Trademarks Act,<sup>4</sup> while the Trade Marks Act 1994 governs the United Kingdom. Trademarks encapsulate a product's goodwill, as Lord Oliver noted in *Reckitt & Colman Products Ltd v Borden Inc*<sup>5</sup> "A trademark is not merely a symbol of goodwill but the embodiment of the goodwill itself." *Morcom et al.* underline trademarks' significance, noting their role in fostering consumer loyalty by conveying origin and guaranteeing consistency.<sup>6</sup> Patents, which protect novel and inventive solutions, are governed in Nigeria by the Patents and Designs Act<sup>7</sup> and in the UK by the Patents Act 1977. These statutes ensure that inventors enjoy exclusive commercial rights to their creations. The Nigerian Federal High Court in *Coca-Cola Co. v OzeFoam Ltd*<sup>8</sup> affirmed this principle, stating that "The patent system rewards inventors by securing exclusive rights to commercialize their discoveries." Bainbridge reinforces this view, noting that patents drive innovation by providing temporary monopolies, ensuring inventors recover research and development costs.<sup>9</sup>

Common law remedies address gaps left by statutory regimes, particularly for unregistered rights. Passing off, for example, protects goodwill from misrepresentation, thus preserving market integrity. Thus, in the case of *Reckitt & Colman Products Ltd v Borden Inc*, Lord Diplock, described passing off as safeguarding traders from consumer deception caused by misrepresentation.<sup>10</sup> Wadlow further highlights passing off as a "flexible remedy" that protects intangible rights linked to reputation and trust.<sup>11</sup> Breach of confidence is another critical common law tool, securing trade secrets and confidential information. Megarry J, outlined its essential elements in *Coco v A.N. Clark (Engineers) Ltd*<sup>12</sup> that: the information must be confidential, disclosed under an obligation of confidence, and its unauthorized use must result in detriment. Toulson further explains that breach of confidence occupies the intersection of contract, equity, and IP law, ensuring the protection of trade and personal secrets.<sup>13</sup>

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<sup>2</sup>(1916) 2 Ch 601

<sup>3</sup>Cornish and Llewelyn, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (Sweet & Maxwell, 9th ed., 2019), p. 410

<sup>4</sup> Cap T13 LFN 2004

<sup>5</sup>(1990) 1 WLR 491

<sup>6</sup>*Morcom, C., et al., The Modern Law of Trade Marks* (LexisNexis, 5th ed., 2021), p. 77.

<sup>7</sup> Cap P2 LFN 2004

<sup>8</sup>(2002) FHCL/B/CS/10

<sup>9</sup>Bainbridge, *Intellectual Property* (Pearson, 12th ed., 2020), p. 278.

<sup>10</sup>*Ibid* (n.4)

<sup>11</sup>Wadlow, *The Law of Passing Off* (Sweet & Maxwell, 6th ed., 2021), p. 110.

<sup>12</sup>(1969) RPC 41

<sup>13</sup>Toulson, *Confidentiality* (Sweet & Maxwell, 4th ed., 2020), p. 230.

Other non-statutory protections include trade dress, unregistered designs, geographical indications (GIs), and character merchandising. These rights often derive protection through passing off. The U.S. Supreme Court in *Traffix Devices, Inc. v Marketing Displays, Inc.*<sup>14</sup> noted that trade dress protects a product's total image, preventing consumer confusion. Dinwoodie elaborates that trade dress safeguards the visual identity of goods, ensuring their association with a specific source.<sup>15</sup>

Together, statutory and common law frameworks create a dynamic system for IP protection. By balancing codified rules with judicial flexibility, this dual system fosters innovation, safeguards creators' rights, and promotes market fairness, ensuring the continued development of intellectual property law in an ever-changing global landscape.

This essay aims to critically examine the tort of passing off as a remedial mechanism for "orphan rights," which include unregistered trademarks, trade dress, and other non-statutory intellectual creations lacking statutory protection. Passing off provides a flexible and equitable remedy, addressing unfair competition and preserving goodwill, making it particularly relevant in informal economies where many businesses lack formal IP registrations. By analysing principles and case law, the essay highlights passing off's importance as a pragmatic approach to protecting vulnerable rights. In Nigeria, for instance, the courts have reaffirmed the tort's utility in preventing goodwill exploitation, as seen in *Ayman Enterprises Ltd v Akuma Industries Ltd.*<sup>16</sup> International cases like *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd*<sup>17</sup> also demonstrate passing off's universal applicability in addressing orphan rights.

## 2.0 Definition / Clarification of Terms.

Some basic terms and terminologies are essential for giving perspective to the object of this essay, they include:

- i. Orphan Rights: Orphan rights refer to intellectual property rights or quasi-intellectual property rights that lack direct statutory recognition or formal registration mechanisms but may still be protected under common law principles or ancillary statutory provisions. These rights often include unregistered trademarks, unregistered designs, trade dress, character merchandising, and rights to goodwill, which find protection through the common law tort of passing off or other doctrines like breach of confidence.<sup>18</sup>
- ii. Unregistered Trademarks: Unregistered trademarks are marks that have not undergone formal registration but are used in

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<sup>14</sup>(2001) 532 US 23

<sup>15</sup>*ibid* (n.10)

<sup>16</sup>(2003) FWLR (Pt. 146) 835

<sup>17</sup>[(1981) 1 All ER 213]

<sup>18</sup>[https://en.wikipedia.org/wiki/Passing\\_off?utm\\_source=chatgpt.com](https://en.wikipedia.org/wiki/Passing_off?utm_source=chatgpt.com) accessed 22/01/25

commerce to distinguish goods or services. They derive protection from the goodwill associated with them and the ability of the mark to indicate the source of the goods or services. Thus, in *Reckitt & Colman Products Ltd v Borden Inc*,<sup>19</sup> Lord Oliver outlined the essence of passing off, stating that the law can protect an unregistered mark as long as it is distinctive of the claimant's goods or services and misrepresentation has caused damage to goodwill.

- iii. Unregistered Designs: Unregistered designs cover the aesthetic aspects of a product that are not registered under formal design laws. They may be protected under common law through claims of misrepresentation and reliance on originality. In *Amp Inc v Utilux Pty Ltd*,<sup>20</sup> the court recognised the interplay between originality and the protection of designs, stating that a design conveying distinctiveness may still enjoy protection if misrepresentation leads to consumer confusion.
- iv. Trade Dress: Trade dress refers to the total visual appearance of a product, including packaging, colors, and layout, that indicates the origin of goods or services. In *Traffix Devices, Inc. v Marketing Displays, Inc.*,<sup>21</sup> the U.S. Supreme Court acknowledged that trade dress serves as a critical identifier, fostering consumer trust by ensuring that goods bearing a specific look originate from a single source.
- v. Character Merchandising: Character merchandising involves the commercial exploitation of fictional characters or celebrity personas through goods or services. In *Irvine v Talksport Ltd*, Laddie J emphasized that the misappropriation of a celebrity's persona can constitute passing off, especially where the public is misled into believing endorsement by the personality<sup>22</sup>. Hughes submitted that character merchandising straddles the line between personality rights and intellectual property, offering protection where goodwill and public perception are central.<sup>23</sup>
- vi. Rights in Goodwill: Goodwill is the intangible asset tied to a business's reputation and customer loyalty, often protected under the tort of passing off. In *Star Industrial Co Ltd v Yap Kwee Kor*, Lord Diplock described goodwill as "The attractive force that brings in customers, which is inseparable from the business it pertains to".<sup>24</sup> Cornish and Llewelyn posited that goodwill

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<sup>19</sup>*Ibid* (n.4)

<sup>20</sup>(1972) RPC 103

<sup>21</sup>*Ibid* (n.13)

<sup>22</sup>(2002) EWHC 367

<sup>23</sup>Hughes, J. *The Philosophy of Intellectual Property*. (2012 Cambridge University Press), p. 128.

<sup>24</sup>(1976) FSR 256.

represents the intersection of commercial reputation and legal protection, foundational to passing off claims.<sup>25</sup>

- vii. Confidential Information and Trade Secrets: Breach of confidence lies in the domain of equity and is entirely based on case laws. In *Kitechnology BV v Unicor Gmbh Plastmaschinen*,<sup>26</sup> it was held that claims for breach of confidence did not arise in tort but were part of the equitable jurisdiction of the court. Confidential information refers to trade secrets or proprietary knowledge that, though unregistered, holds value for businesses and can be protected through breach of confidence claims. In *Coco v A.N. Clark (Engineers) Ltd*, Megarry J laid down that the doctrine of confidence required three elements of confidentiality.<sup>27</sup>
- viii. Geographical Indications (GIs): Geographical Indications are intellectual property rights that identify products as originating from a specific geographical location, such as a region or locality, where the product's quality, reputation, or other characteristics are essentially attributable to its geographical origin. Article 22.1 of the TRIPS Agreement defines GIs as indications that identify goods originating in a specific territory, where their quality or reputation is attributable to the geographical origin. A classic example of a GI, is champagne. The term "Champagne" can only be used for sparkling wine produced in the Champagne region of France.<sup>28</sup> The quality and reputation of Champagne are closely linked to its geographical origin, including the specific climate and soil conditions of the region. Darjeeling Tea<sup>\*\*</sup>: Known for its distinct flavor and aroma, Darjeeling tea grown in the Darjeeling district of West Bengal, India, is another good example. In *Tea Board Of India v ITC Ltd.*,<sup>29</sup> the court emphasized the importance of protecting GIs to prevent consumer deception and unfair competition.

### 3.0The Tort of Passing Off and Its Role

The tort of passing off is a foundational principle in common law designed to protect the goodwill and reputation associated with a business or product. It is primarily invoked to prevent unfair competition by prohibiting one party from misrepresenting their goods or services as being connected to or endorsed by another. Unlike statutory intellectual property rights, such as registered trademarks or patents, passing off protects unregistered rights, making it a critical remedy for safeguarding commercial interests in cases where formal registration is absent or unfeasible. The essence of passing off lies in the protection of goodwill<sup>30</sup> - an intangible yet valuable asset that encompasses the

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<sup>25</sup>Ibid (n.2)

<sup>26</sup>(1995) FSR 765

<sup>27</sup>Ibid (n.11)

<sup>28</sup> <https://www.knijff.com/en/blogs/champagne-is-the-pgi> accessed 25/01/25]

<sup>29</sup>C.S. No. 250 of 2010; LAWS(CAL)-2019-2-1.

<sup>30</sup>See generally para. 2.0 (vi)

reputation a business has cultivated among its customers. Lord Diplock, in the seminal case of *Erven Warnink BV v J Townend & Sons (Hull) Ltd*,<sup>31</sup> succinctly defined passing off as “a misrepresentation made by a trader to prospective customers which is calculated to damage the business or goodwill of another trader.” This definition underscores the dual purpose of the tort: to prevent harm to the reputation of honest traders and to shield consumers from deception.

The role of passing off extends beyond mere commercial protection. It bridges a significant gap in intellectual property law by offering a remedy for rights that are unregistered or unregistrable under statutory frameworks. In doing so, it aligns with broader public policy objectives, such as promoting fair competition and safeguarding consumer trust. This is evident in cases such as *Reckitt & Colman Products Ltd v Borden Inc*<sup>32</sup> (the Jif Lemon case), where the court emphasised the necessity of protecting distinctive features, like packaging, that contribute to a product's market identity.

In the Nigerian context, the tort of passing off is firmly entrenched in common law and has been given statutory recognition under the Trade Marks Act,<sup>33</sup> Section 3 of the Act explicitly acknowledges the right to institute passing off actions, thereby reinforcing the judiciary's role in protecting goodwill. Landmark cases, such as *Niger Chemists v Nigeria Chemists*,<sup>34</sup> illustrate how Nigerian courts have effectively applied this tort to curb misrepresentation and uphold the integrity of business identities.

### 3.1 Protection of Unregistered and Unregistrable IP

While registered IP rights are protected under specific statutory regimes (e.g., trademarks, patents, copyright), unregistered and unregistrable IP often rely on common law protections, such as passing off and other equitable doctrines. Some of the common law protections afforded to unregistered or unregistrable intellectual property include:

#### i. Trade Dress:

As seen above<sup>35</sup> trade dress refers to the overall appearance and packaging of a product that signifies its source, including features such as design, shape, color scheme, and layout. While statutory protection for trade dress exists under trademark laws, common law also recognizes it through the doctrine of passing off. The common law tort of passing off is aimed at protecting goodwill associated with a business or product from misrepresentation. Lord Diplock, in *Erven Warnink BV v. J Townend & Sons (Hull) Ltd*<sup>36</sup> articulated the five elements of passing off, that the claimant must establish a reputation (goodwill), there must be a likelihood of deception (misrepresentation), and the

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<sup>31</sup>(1979) AC 731

<sup>32</sup>Ibid (n.4)

<sup>33</sup>Cap T13, Laws of the Federation of Nigeria 2004.

<sup>34</sup>(1961) All NLR 180

<sup>35</sup>Para. 2.0 (iv)

<sup>36</sup>Ibid (n.34)

claimant must show potential or actual harm (damage) In the case of *Taco Bell Pty Ltd v. Taco Co of Australia Inc*<sup>37</sup> the court held that trade dress, including the overall appearance of a restaurant, could constitute goodwill. See also *Reckitt & Colman Ltd v. Borden Inc*<sup>38</sup> ("Jif Lemon case"): where the court held that the unique shape and appearance of the lemon-shaped container for Jif lemon juice constituted protectable trade dress under passing off. Discussing the subject, J.L. Rayner in *The Law of Passing-Off*<sup>39</sup> stresses the point that trade dress protection under common law is often broader than statutory regimes, as it can extend to unregistered marks and appearances if goodwill and misrepresentation are proven.

## ii. Confidential Information

Confidential information encompasses trade secrets, business strategies, and private communications that derive value from their secrecy. Common law protects such information through the equitable doctrine of breach of confidence.<sup>40</sup> The leading case, *Coco v. AN Clark (Engineers)*,<sup>41</sup> established the three elements for a claim in breach of confidence to succeed. The case of *Saltman Engineering Co Ltd v. Campbell Engineering Co Ltd*<sup>42</sup> decided that confidential information could include technical drawings even without formal registration. Thus, in the early case of *Prince Albert v Strange*<sup>43</sup> the courts protected the private etchings of Queen Victoria and Prince Albert against unauthorised publication. Discussing further on the subject of breach of confidence, *Cornish et al.*,<sup>44</sup> argue that breach of confidence serves as a vital common law remedy for protecting intangible business assets where no statutory IP rights exist.

## iii. Copyright:

While copyright is predominantly statutory, there are scenarios where common law principles complement or fill gaps in statutory protections, especially for unpublished works or equitable reliefs. Before statutory frameworks like the Statute of Anne (1710) or modern Copyright Acts, common law recognised authors' rights to unpublished manuscripts as personal property. See the case of *Donaldson v. Beckett*.<sup>45</sup> The common law can also protect copyright-adjacent rights through doctrines like breach of confidence. In the case of *Attorney-General v Guardian Newspapers Ltd*,<sup>46</sup> the court affirmed that unpublished works could be protected under breach of confidence where publication would violate ethical obligations. Thus, in the case of *Ashdown v Telegraph Group*

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<sup>37</sup> (1982) 2 NSWLR 431

<sup>38</sup>Ibid (n.4)

<sup>39</sup>Christopher Wadlow, *The Law of Passing-Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell 4th ed., 2011)

<sup>40</sup>See generally para. 2.0 (vii) above

<sup>41</sup>Ibid (n.11)

<sup>42</sup>[1948] 65 RPC 203

<sup>43</sup>(1849) 2 De G & Sm 652

<sup>44</sup>Ibid (n.2)

<sup>45</sup>(1774) 2 Brown PC 129

<sup>46</sup>(No 2) [1990] 1 AC 10

Ltd,<sup>47</sup> the court protected Ashdown's unpublished memorandum using a combination of copyright and breach of confidence principles. Writing on 'The Law of Copyright and the Internet' Ficsor<sup>48</sup> notes that common law plays a supplementary role in copyright, especially in jurisdictions like the UK where equitable doctrines address rights not explicitly covered by statute.

#### iv. Character Merchandising and Passing Off:

Character merchandising involves the use of fictional or real personas to promote products, often leveraging consumer attachment to these characters. This practice is widespread and includes merchandising of fictional characters like Mickey Mouse or Snoopy, as well as real personalities such as celebrities.<sup>49</sup> In the UK case of *Mirage Studios v Counter Feat Clothing Co.*<sup>50</sup> which involved the unauthorised use of Teenage Mutant Ninja Turtles images on clothing, the court recognised *Mirage Studios'* goodwill in the clothing trade, supporting their claim of passing off.<sup>51</sup> Also in the case of *Disney Enterprises & Anr. v. Santosh Kumar & Anr.*<sup>52</sup> the Delhi High Court held that selling products with unauthorised representations of characters like Hannah Montana and Winnie the Pooh infringed Disney's merchandising rights. In *Irvine v. Talksport Ltd.*<sup>53</sup> the Formula 1 driver Eddie Irvine successfully sued for passing off when his image was used without consent in an advertisement, falsely suggesting endorsement. The case emphasized goodwill in personal branding and clarified that passing off extends to unauthorized exploitation of an individual's image. See also *Henderson v. Radio Corporation Pty Ltd.*<sup>54</sup> where the High Court of Australia recognised passing off for unauthorized use of a famous swimmer's image on swimwear. Cornish and Llewelyn further argue that passing off fills gaps left by trademark law, particularly for unregistered rights.<sup>55</sup> In the U.S., the right of publicity protects personality rights, complementing passing off actions under unfair competition law. Nigerian courts have begun recognizing character merchandising under passing off, drawing inspiration from English jurisprudence. In India, courts have used passing off to protect celebrity rights, as seen in *DM Entertainment Pvt Ltd v. Baby Gift House and Others*,<sup>56</sup> where the plaintiff successfully argued that the unauthorized use of the name "Daler Mehndi" on products misrepresented an association.

It is to be noted that, in many jurisdictions, there is no specific law for publicity rights, which can complicate enforcement. In India, while there is no specific provision for publicity rights, Section 14 of the Trademarks Act 1999 restricts

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<sup>47</sup>(2001) EWCA Civ 1142

<sup>48</sup>Mihály Ficsor, *The Law of Copyright and the Internet: The 1996 WIPO Treaties, Their Interpretation and Implementation* (Oxford University Press 2002)

<sup>49</sup>Nishant Kewalramani & Sandeep Hegde (2012) "Character Merchandising," *Journal of Intellectual Property Rights*, Vol. 17, pp. 454-462[6].

<sup>50</sup>(1991) F.S.R. 145

<sup>51</sup>*Mirage Studios v Counter Feat Clothing Co.* (1991) F.S.R. 145

<sup>52</sup>CS(OS) 3032/2011. [2]

<sup>53</sup>(2002) EWHC 367

<sup>54</sup>[[1960] HCA 36]

<sup>55</sup>Ibid (n.2)

<sup>56</sup>CS(OS) No. 893/2002.; MANU/DE/2043/2010

unauthorised use of a person's name or likeness in association with products.<sup>57</sup> Experts argue that Indian laws have not fully adapted to the evolving business practices of character merchandising.<sup>58</sup>

It is to be noted that, reputation exploitation occurs in character merchandising when unauthorised use of a character or persona damages its reputation or goodwill. This is a significant concern in character merchandising. In the case of *DM Entertainment Pvt Ltd v. Baby Gift House and Ors.*<sup>59</sup> which involved unauthorised use of the singer Daler Mehndi's likeness on miniature toys. The court ordered compensation for the unauthorized exploitation of his popularity. In the UK, character merchandising disputes often rely on passing off claims, as seen in *Mirage Studios v Counter Feat Clothing Co.*<sup>60</sup> The UK courts have recognized the importance of goodwill in merchandising, even when copyright does not apply.

### 3.2 Statutory Protections for Orphan Rights (Where Applicable)

As shown severally in paragraphs 1.0 and 2.0 above, the concept of "orphan rights" includes unregistered or quasi-intellectual property (IP) rights that do not rely on formal registration but are nonetheless protected through statutory frameworks and common law principles. Apart from the common law doctrines of equity, several statutes and doctrines also provide legal protection for such rights in Nigerian:

- i. Trade Marks Act and Passing Off: The Trade Marks Act<sup>61</sup> in Nigeria focuses on registered trademarks, but it does not exclude the protection of unregistered marks. The tort of passing off, a common law principle codified within broader legal frameworks, indirectly finds relevance under the Act which provides that:

No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark; but nothing in this Act shall be taken to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof.

In line with this provision, the case of *Ferodo Ltd v. Ibeto Industries Ltd*<sup>62</sup> is relevant. Here the court further held that passing off protects not only registered trademarks but also unregistered ones, provided the claimant can prove goodwill, misrepresentation, and damage, saying that "The Nigerian Trade Marks Act implicitly accommodates passing off as a mechanism for

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<sup>57</sup><https://www.ipthink-tank.com/post/an-overview-of-character-merchandising> accessed 25/01/25

<sup>58</sup><http://docs.manupatra.in/newslines/articles/Upload/E2FEFB25-578D-448C-9EA9-54266BE2475A.pdf> accessed 25/01/25

<sup>59</sup>*Ibid* (n.

<sup>60</sup>*Ibid* (n.49)

<sup>61</sup> Cap T13 LFN 2004, Section 3 thereof

<sup>62</sup>(2004) 5 SC (Pt.1) 1

protecting unregistered marks... goodwill and misrepresentation are key components." Also, Cornish et al. in 'Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights' observed that "Passing off operates as a crucial fallback for businesses unable to rely on formal trademark registration, ensuring that commercial reputations are shielded from unfair exploitation."<sup>63</sup>

- ii. Copyright Act 2022 and Protection of Original Works: The Copyright Act 2022 in Nigeria provides protection for eligible original works, irrespective of registration. This aligns with international principles established under the Berne Convention, to which Nigeria is a party. Section 4 of the Act provides that . 'Eligibility for copyright under this Act shall not require any formality' thus granting copyright protection automatically to eligible works upon creation, provided they meet originality and fixation requirements. Section 51 of the same law addresses exceptions and limitations, emphasizing accessibility while maintaining protections for the creator. In the case of *Ladoke Akintola University of Technology v. Laniyan*<sup>64</sup> the plaintiff sought protection for an academic work disseminated without authorisation. The court upheld the plaintiff's rights, emphasising that copyright subsists upon creation and does not require registration. The court stated that, "The Nigerian Copyright Act adopts a no-registration approach to ensure that authors' rights are upheld regardless of administrative formalities." See also the opinion of Ficsor in 'The Law of Copyright and the Internet', where he observed that, "The automatic protection principle ensures that copyright adapts to modern challenges, including the digital environment, by eliminating procedural hurdles."<sup>65</sup>
- iii. Federal Competition and Consumer Protection Act (FCCPA) 2018 and Misrepresentation: The FCCPA provides indirect protection for orphan rights through its provisions addressing consumer protection and anti-competitive practices. Misrepresentation, often central to passing off claims, overlaps with unfair trade practices under the Act. Section 123 provides the general standards for marketing of goods and services, right to fair dealing in section 124 and expressly prohibits misleading or deceptive conduct, including false representations about goods or services in section 125 thereby indirectly supporting claims related to passing off. In the case of *D.I.C. Nig. Ltd v Twinson (Nig.) Ltd*,<sup>66</sup> where the plaintiff alleged that the defendant's branding and marketing practices misled consumers. The court noted that the FCCPA's provisions on misleading practices could complement common law protections like passing off, it stated that, "The FCCPA strengthens consumer protection frameworks by addressing misrepresentation, a key component of passing off actions, thereby extending statutory coverage to unregistered

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<sup>63</sup>Ibid(n.2) p.140

<sup>64</sup>(2016) 5 NWLR (Pt. 1505) 1

<sup>65</sup>Ibid (n.47)

<sup>66</sup>(2020) LPELR-49653(CA)

- marks." Also writing on 'Consumer Protection in Nigeria: Law, Theory, and Policy' Uche argues that, "The FCCPA fills gaps left by traditional IP laws, ensuring that consumer trust and business integrity are preserved through statutory mechanisms."<sup>67</sup>
- iv. Geographical Indications (GIs) Article 22.1 of TRIPS Agreement defines GIs as indications that identify goods originating in a specific territory, where their quality or reputation is attributable to the geographical origin. Geographical Indications of Goods (Registration and Protection) Act, 1999 (India) provides legal protection for GIs, with remedies including civil and criminal actions. While registration is not mandatory, it enhances legal protection and facilitates infringement cases. Though experts emphasise the importance of GIs in preserving cultural heritage and promoting local economies, they also highlight challenges related to infringement and enforcement. For example, Dr. Swapnil Choudhary notes that GI protection is contentious under TRIPS, with countries implementing varying levels of protection.<sup>68</sup> The courts have often relied on the principle of passing off to protect GIs, especially in jurisdictions without specific GI legislation. This principle prevents unauthorized use that could mislead consumers about a product's origin See *Tea Board of India v. ITC Limited*.<sup>69</sup> where the court held that GI rights only apply to goods, not services, and thus ITC's use of "Darjeeling" for a lounge did not infringe the Tea Board's GI rights for tea. In the case of *Chocosuisse v Cadbury Ltd*.<sup>70</sup> where, Swiss chocolate producers sought to prevent Cadbury from labeling non-Swiss chocolate as "Swiss chalet", the court upheld the claim, finding that misrepresentation damaged the goodwill associated with "Swiss chocolate." See also the case of *Scotch Whisky Association v. Glen Kella Distillers Ltd*.<sup>71</sup> where the court restrained the defendant from using "Scotch whisky" for a product not originating from Scotland. In the EU, robust GI frameworks, such as Regulation (EU) No 1151/2012, reduce reliance on passing off by providing direct protection for GIs through registration systems. Also in the U.S., GIs are protected under trademark law, particularly certification marks and collective marks, as seen in *Consorzio del Prosciutto di Parma v. Asda Stores Ltd*.<sup>72</sup> which highlighted the role of passing off as a complementary remedy. In Nigeria, where statutory protection for GIs remains underdeveloped, passing off has been invoked to protect the reputation of local products. For instance, cases

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<sup>67</sup>Uche, M. *Consumer Protection in Nigeria: Law, Theory, and Policy*. (Lagos: Advanced Legal Studies Press. 2020).

<sup>68</sup><https://www.globalipconvention.com/blog/geographical-indications-and-its-infringement-and-remedies-a-critical-analysis> accessed 25/01/25

<sup>69</sup> C.S. No. 250 of 2010

<sup>70</sup> (1999) RPC 826

<sup>71</sup>(1997) EIPR 321

<sup>72</sup><https://company360.in/blog/landmark-judgments-of-trademark-infringement-and-passing-off/> accessed 25/01/25

involving misuse of "Ijebu garri"<sup>73</sup> have relied on the doctrine to prevent misrepresentation of origin.

### 3.3 International Treaties

It is clear from the foregoing discussions that the protection of orphan rights, including those related to intellectual property, is a complex issue that involves international treaties and national laws. This part of the essay will discuss the protection of orphan rights under international treaties, focusing on the Paris Convention for the Protection of Industrial Property and the TRIPS Agreement. The Paris Convention for the Protection of Industrial Property: The Paris Convention for the Protection of Industrial Property (Paris Convention) is an international treaty that establishes common rules for the protection of industrial property, including patents, trademarks, and designs. Nigeria is a party to the Paris Convention. Article 10bis of the Paris Convention emphasizes the protection of unregistered marks under the principles of unfair competition.<sup>74</sup> It states that:

- (1) The countries of the Union are bound to assure to nationals of countries of the Union effective protection against unfair competition.
- (2) Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.

Though the Convention does not explicitly provide protection for orphan rights, the protection of unregistered marks under the principles of unfair competition can be seen as a way to safeguard the rights of creators and innovators, including those who may not have registered their works or inventions.

The TRIPS Agreement: The TRIPS Agreement (Agreement on Trade-Related Aspects of Intellectual Property Rights) is an international treaty that sets minimum standards for the protection of intellectual property rights, including copyright, trademarks, patents, and designs. The TRIPS Agreement requires member states to provide remedies for acts of unfair competition under Article 39, it states that:

- (1) Members shall, in accordance with Article 2.1 of the Paris Convention (1967), protect undisclosed information in accordance with paragraph 2 below.
- (2) Natural and legal persons shall have the possibility of preventing information lawfully within their control from being disclosed to, acquired by, or used by others without their consent in a manner contrary to honest commercial practices.<sup>75</sup>

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<sup>73</sup><https://afripi.org/en/news/nigeria-national-conference-geographical-indications-17-18-february> accessed 25/01/25

<sup>74</sup>Paris Convention for the Protection of Industrial Property (1883)

<sup>75</sup>TRIPS Agreement, (1994) Article 39

The TRIPS Agreement provides a broader scope of protection for intellectual property rights, including the protection of undisclosed information, which accords the common law principles of confidential information and breach of confidence.<sup>76</sup> This provision can be seen as a way to safeguard the rights of creators and innovators, including those who may not have registered their works or inventions. According to Professor Sam Ricketson, a renowned expert in intellectual property law:

The protection of unregistered marks under the Paris Convention is an important aspect of international intellectual property law... While the Paris Convention does not provide explicit protection for orphan rights, the protection of unregistered marks can be seen as a way to safeguard the rights of creators and innovators.<sup>77</sup>

Professor Ricketson's opinion highlights the importance of the Paris Convention in protecting unregistered marks and the potential implications for orphan rights.

In the case of *IKEA Systems B.V. v Hardwood Dimensions Inc.*<sup>78</sup> the Canadian Federal Court of Appeal held that, "The protection of unregistered marks under the Paris Convention is not limited to registered marks... The Convention requires member countries to provide effective protection against unfair competition." This case illustrates the application of Article 10bis of the Paris Convention in protecting unregistered marks and preventing unfair competition. It is clear that, while the Paris Convention and the TRIPS Agreement do not provide explicit protection for orphan rights, they do provide a framework for protecting unregistered marks and preventing unfair competition.

#### 4.0 Unregistrable Intellectual Property

Certain types of intellectual property are inherently unregistrable due to their descriptive, generic, or functional nature. Good examples include generic terms such as "Bread" for bakery products, descriptive marks such as "Fresh and Tasty" for a restaurant, and simple trade dress lacking distinctiveness. Legal protection for such IP relies on common law remedies, especially passing off, to prevent unauthorized exploitation. The key principles for protecting unregistrable intellectual property under common law include:

- i. Acquired Distinctiveness (Secondary Meaning): This concept requires proof that the mark, term, or trade dress has become distinctive of the claimant's goods or services in the minds of consumers. In the case of *Societe Des Produits Nestle SA v Cadbury UK Ltd*,<sup>79</sup> the UK Court of

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<sup>76</sup>See detailed discussions on breach of confidence and confidential information in paragraphs 2.0 (vii) and 3.1 (ii) above.

<sup>77</sup>Ricketson, Sam. *The Paris Convention for the Protection of Industrial Property: A Commentary*. (Oxford University Press, 2015).

<sup>78</sup>*IKEA Systems B.V. v Hardwood Dimensions Inc.*, (2009 FCA 112)

<sup>79</sup>(2014) EWCA Civ 1403

Appeal reiterated that secondary meaning requires evidence that the public associates the mark exclusively with the claimant's goods. Further on the issue of distinctness, Kerly's Law of Trade Marks and Trade Names explains that, "Descriptive marks are inherently weak but may acquire distinctiveness if substantial use creates an association in the public mind between the mark and the claimant's product."<sup>80</sup>

- ii. Goodwill and Reputation: Goodwill refers to the "benefit and advantage of the good name, reputation, and connection of a business." see *IRC v Muller & Co's Margarine Ltd*<sup>81</sup> The House of Lords in *Reckitt & Colman Ltd v Borden Inc* emphasized goodwill as central to passing off, illustrating this with the "Jif Lemon" container, which had acquired goodwill as distinctive packaging.<sup>82</sup> Christopher Wadlow in *The Law of Passing Off* submits that "Goodwill is the legal recognition of a trader's ability to attract and retain customers, which forms the backbone of passing off claims."<sup>83</sup>

#### 4.0 Passing Off to the Rescue

As shown above, passing off is a common law tort designed to protect unregistrable intellectual property by preventing one party from falsely representing their goods as those of another. The classic trinity test is that the claimant must establish three essential elements to succeed in passing off, to-wit:

- i. Goodwill: The claimant must demonstrate that their mark or trade dress has a reputation that attracts customers. In *Spalding v Gamage*,<sup>84</sup> the court held that a brand name, even if unregistered, could attract goodwill deserving of protection. A good example would be a descriptive term like "Genuine Leather" which may acquire goodwill if the public associates it with a particular trader over time.
- ii. Misrepresentation: The defendant's actions must create a false impression that deceives the public into associating their products with the claimant. In *Erven Warnink BV v J Townend & Sons (Hull) Ltd*,<sup>85</sup> the House of Lords ruled that misrepresentation in selling a product under the term "Advocaat" (traditionally a Dutch liqueur) caused actionable harm. The court emphasised that misrepresentation need not be intentional but must be likely to deceive a substantial portion of the public.
- iii. Damage: The claimant must prove actual or potential harm, such as loss of sales, reputational harm, or dilution of goodwill. In *Taittinger*

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<sup>80</sup>Kerly's Law of Trade Marks and Trade Names. (Sweet & Maxwell, 16th ed., 2018).

<sup>81</sup>(1901) AC 217

<sup>82</sup>Ibid (n.4)

<sup>83</sup>Ibid (n.38)

<sup>84</sup>(1915) 84 LJ Ch 449

<sup>85</sup>Ibid (n.35)

SA v Allbev Ltd<sup>86</sup> the High Court held that marketing a non-champagne product as "Elderflower Champagne" damaged the goodwill associated with the Champagne region, even though no direct competition existed.

#### 4.1 Remedies for Passing Off

Passing off provides remedies to protect goodwill and prevent misrepresentation, ensuring fair competition and safeguarding consumer trust. Remedies in passing off aim to mitigate harm, prevent future misuse, and restore the claimant's position. Here we make a detailed examination of these remedies, which include:

- i. Injunctions: Injunctions are the primary remedy, restraining the defendant from continuing the misrepresentation or misuse of the claimant's goodwill. They may be granted as interlocutory (temporary) or perpetual (permanent) injunctions. In *Reckitt & Colman Ltd v Borden Inc*,<sup>87</sup> the court granted an injunction to prevent the defendant from using a lemon-shaped bottle that misled the public into believing it was the claimant's product. The remedy of damages is used to prevent irreparable harm or loss of goodwill. It is particularly effective in cases of false labeling, deceptive trade dress, or misleading advertising. Thus Lord Diplock advised in the case of *American Cyanamid Co v Ethicon Ltd*,<sup>88</sup> that interlocutory injunctions should be granted where there is a serious question to be tried and the balance of convenience favors the claimant.
- ii. Damages or Account of Profits: These are meant to compensate for the claimant's losses or disgorge the profits unlawfully earned by the defendant. Ruling on a claim of misrepresentation in the case of *Taittinger SA v Allbev Ltd*,<sup>89</sup> the court awarded damages for economic loss caused by the misrepresentation of "Elderflower Champagne," which diluted the goodwill associated with champagne. It is to be noted that, damages are appropriate where the claimant can quantify their financial loss, whilst an account of profits is suitable where the defendant's gain can be directly linked to the misrepresentation. It is in this regard that, Wadlow notes in *The Law of Passing Off* that courts often prefer an account of profits in cases of deliberate misrepresentation, as it deters wrongful enrichment.<sup>90</sup>
- iii. Delivery Up or Destruction: The purpose of this remedy is to remove infringing goods from circulation, preventing further misuse of the claimant's goodwill. Ruling in the case of *Parker-Knoll Ltd v Knoll International Ltd*,<sup>91</sup> the court ordered delivery up of infringing goods

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<sup>86</sup>(1993) FSR 641

<sup>87</sup>Ibid (n.4)

<sup>88</sup>(1975) AC 396

<sup>89</sup>(1993) FSR 641

<sup>90</sup>Ibid (n.38)

<sup>91</sup>(1962) RPC 265

that misrepresented their origin. This remedy is commonly used in counterfeit or lookalike product cases to protect consumers from being deceived and preserve market integrity.

- iv. **Corrective Advertising:** The purpose of corrective advertising is to counteract the effects of the misrepresentation by informing the public of the true origin of the goods or services. This remedy though rarely granted in Nigeria and the UK is very common in jurisdictions like the US, where courts may compel defendants to issue disclaimers or publish corrective statements.

Generally speaking, remedies like injunctions and damages are crucial in protecting trade dress, as seen in *Reckitt & Colman v Borden*<sup>92</sup> They are aimed at preventing misuse of unique packaging, such as distinctive bottle shapes or color schemes. At the same time, the preservation of consumer trust is a major consideration. They prevent consumer deception and maintain trust in established brands. A good example is the case of *Taittinger SA v Allbev Ltd*,<sup>93</sup> where damages were used to protect the prestige of the Champagne designation. Another objective of these remedies is the deterrence of deliberate misrepresentation. Account of profits and destruction of infringing goods deter willful infringers, a case in point is *Spalding v Gamage*,<sup>94</sup> where remedies discouraged deceptive marketing practices. Most importantly, passing off remedies are vital in niche markets where the claimant's goodwill is a significant competitive advantage.

#### **4.2 Challenges in Implementing Remedies**

In spite of the obvious advantages and or benefits derived from the available remedies, there are serious huddles in the way of a claimant by way of:

- i. **High Evidentiary Burden:** The claimant must prove goodwill, misrepresentation, and damage, which often requires extensive evidence. In the case of *Harrods Ltd v Harrodian School Ltd*,<sup>95</sup> the Court of Appeal emphasised that mere similarity of names is insufficient; the claimant must show a real likelihood of deception. It is this regard that Kerly's Law of Trade Marks and Trade Names notes that proving misrepresentation is especially challenging in cases involving descriptive marks or weak trade dress.<sup>96</sup>
- ii. **Quantifying Damages:** Calculating the precise loss caused by passing off can be complex, especially where multiple factors contribute to the claimant's loss. In *McCain International Ltd v Country Fair Foods Ltd*,<sup>97</sup> difficulties arose in attributing loss to specific instances of misrepresentation.

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<sup>92</sup>Ibid (n.4)

<sup>93</sup>Ibid (n.88)

<sup>94</sup>(1915) 84 LJ Ch 449

<sup>95</sup>(1996) RPC 697

<sup>96</sup>Ibid (n.79)

<sup>97</sup>(1981) RPC 69

- iii. Geographical Scope of Goodwill: Goodwill may be localized, thus limiting the scope of remedies. In *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd*,<sup>98</sup> the court recognised that goodwill can extend internationally but requires evidence of substantial reputation in the relevant market.
- iv. Costs of Litigation: Passing off actions can be expensive and protracted, discouraging small businesses from pursuing claims. Christopher Wadlow has argued that the expense of litigation often outweighs the potential benefits for claimants with limited resources.<sup>99</sup>
- v. Limited Preventive Power: It is argued that passing of remedies have a limited preventive power. This is because they are reactive rather than preventive. Unlike registered trademarks, which offer a proactive shield, passing off requires actual or likely harm before action can be taken.

## 5.0 Summary, Findings, Conclusion and Recommendations

### 5.1 Summary

Passing off occupies a significant position in the protection of orphan rights, providing an adaptable common law remedy for safeguarding the goodwill associated with unregistered and unregistrable intellectual property (IP) rights. Its flexibility ensures that creators, businesses, and stakeholders are not unjustly deprived of their efforts, even in the absence of formal statutory registration. Through judicial interpretations, courts have underscored the foundational elements of goodwill, misrepresentation, and damage in passing off claims, establishing a robust framework for addressing unauthorized exploitation of such rights.

In jurisdictions like Nigeria, passing off has been instrumental in protecting orphan rights, especially against the misuse of geographical indications (GIs) and character merchandising. For example, the protection of local products such as "Ijebu garri" demonstrates the importance of passing off in bridging gaps left by inadequate statutory provisions. Stakeholders have relied on passing off to safeguard the reputation and economic value tied to such local products when exploited without proper authorization. Discussions on Nigeria's efforts in developing a legal and institutional framework for GIs reflect the doctrine's critical role in IP protection.<sup>100</sup> Furthermore, character merchandising involving the names or likenesses of prominent individuals and fictional characters illustrates the practical application of passing off in

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<sup>98</sup>(2010) EWCA Civ 110

<sup>99</sup>Ibid (n.38)

<sup>100</sup><https://www.floraip.com/2022/02/17/national-conference-on-creating-legal-and-institutional-frameworks-for-geographical-indications-in-nigeria>; <https://afripi.org/en/news/nigeria-national-conference-geographical-indications-17-18-february> accessed 25/01/25

protecting goodwill and preventing unauthorized commercial exploitation. From a comparative perspective, jurisdictions like the EU and the U.S. offer statutory protections that complement passing off. For instance, the EU's framework for protecting GIs and the U.S. system of certification marks provide structured statutory remedies, while passing off extends protection to unregistered rights and addresses new challenges, such as digital misrepresentation. By integrating these mechanisms, a balanced approach can ensure comprehensive IP protection.

### **5.2 Findings:**

This essay makes the following key findings:

- i. **Critical Role of Common Law Remedies:** While statutory IP laws form the cornerstone of protection, common law remedies such as passing off remain indispensable, particularly for safeguarding unregistered and unregistrable IP. These remedies address various areas, including trade dress, confidential information, character merchandising, and GIs, ensuring that gaps in statutory regimes are effectively bridged.
- ii. **Evidentiary Challenges:** Establishing goodwill remains a significant hurdle for plaintiffs, particularly in emerging markets like Nigeria, where the documentation of goodwill is often inconsistent or incomplete.
- iii. **Jurisdictional Variations:** In jurisdictions with comprehensive statutory protections (e.g., the EU's GI system), reliance on passing off is reduced. Conversely, developing economies with underdeveloped statutory frameworks depend heavily on passing off to address IP gaps.
- iv. **Emerging Complexities in the Digital Age:** The rise of digital commerce and online marketplaces has introduced new challenges, requiring courts to adapt traditional passing off principles to address issues like online misrepresentation.

### **5.3 Conclusion**

In conclusion, this author submits that, passing off serves as an indispensable tool for protecting orphan rights, underscoring the importance of a harmonised interplay between common law remedies and statutory frameworks. By addressing unauthorised exploitation of goodwill, passing off preserves cultural and economic interests while adapting to the evolving landscape of IP law. The doctrine remains especially vital in jurisdictions like Nigeria, where statutory protections are still developing. Comparative insights from jurisdictions with robust frameworks, such as the EU and the U.S., highlight the need for integrated measures that blend statutory protections with the flexibility of passing off. Ultimately, the doctrine's ability to safeguard goodwill and prevent misrepresentation makes it a cornerstone of IP protection, particularly for unregistered and unregistrable rights.

#### 5.4 Future Directions and Recommendations:

To strengthen the protection of orphan rights, this paper offers the following recommendations:

- i. **Adapting Passing Off to Digital Challenges:** The digital economy has created new opportunities for misrepresentation, particularly on online marketplaces and social media platforms. The UK High Court in *Reckitt Benckiser Group plc v. Home Retail Group Ltd*<sup>101</sup> affirmed the applicability of passing off in the online context, emphasizing the need for clear evidence of goodwill and misrepresentation. Jeremy Phillips highlights that "adapting passing off to digital commerce challenges requires a nuanced approach, taking into account the unique characteristics of online marketplaces and social media platforms."<sup>102</sup> Courts should account for these unique digital dynamics, while businesses should maintain comprehensive records of their online activities to establish goodwill.
- ii. **International Harmonization of Unregistered IP Protection:** Consistent protection of orphan rights across jurisdictions requires greater international harmonization. In *Anheuser-Busch Inc v. Budejovicky Budvar Narodni Podnik*,<sup>103</sup> the UK Court of Appeal acknowledged the Paris Convention's role in protecting unregistered trademarks. Daniel Gervais emphasizes the need for enhanced harmonization, noting that "the Paris Convention provides a framework for unregistered trademarks, but further harmonization is essential to facilitate cross-border operations."<sup>104</sup> International organizations like WIPO should actively promote harmonization, encouraging countries to adopt the Paris Convention and related treaties.
- iii. **Legislative Reforms to Complement Common Law Remedies:** Legislative reforms can provide clearer and more comprehensive protection for orphan rights, thus supplementing common law remedies. In *Knight v Beyond Properties Pty Ltd*,<sup>105</sup> the Australian Federal Court demonstrated how statutory remedies under the Australian Consumer Law effectively complemented passing off. This author is in agreement with David Lindsay when he suggests that "legislative reforms can clarify protection for orphan rights and complement common law remedies."<sup>106</sup> Countries should consider enacting similar reforms to provide statutory remedies for passing off, thereby enhancing protection for unregistered IP.

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<sup>101</sup> (2015) EWHC 246 (Ch)

<sup>102</sup>Phillips, J., "Passing Off in the Digital Age," *Journal of Intellectual Property Law & Practice* (2019), Vol. 14, No. 2, p. 123.

<sup>103</sup>(2009) EWCA Civ 1022

<sup>104</sup>Gervais, D., *International Intellectual Property Law*, (2nd ed., Edward Elgar Publishing), 2019

<sup>105</sup>(2017) FCA 532

<sup>106</sup>Lindsay, D., *Intellectual Property Law in Australia*, (3rd ed., LexisNexis Butterworths), 2020