
Cited as: NC Ezedum, 'Vesting for Prior, Independent and Honest Concurrent Use in the Nigerian Trademark Protection Law: Quagmire for the Consumer' (2022) 13(1&2) *EBSU L.J.* 10-20.

Vesting for Prior, Independent and Honest Concurrent Use in the Nigerian Trademark Protection Law: Quagmire for the Consumer

*Nneka Chioma Ezedum**

Abstract

Trademarks are tools of identity used to differentiate goods in the market place, protect the integrity of the trademark owner and ensure that consumers are protected by providing guidance to them with respect to the quality of goods and services. Part of the function of trademark law is to protect consumers from deception or the likelihood of confusion with respect to goods and services by the use of marks to differentiate products in the market place. The exceptions to trademark infringement created by Sections 5(4), 7 and 13(2) of the Nigerian Trademarks Act are recognized as providing security for prior, independent and honest concurrent use of similar or identical marks. These sections permit the dual use of trademarks and therefore conflict with and undermine the consumer protection function of trademark because when similar products are in the market place, consumers would likely be deceived or confused. This work which is doctrinal, attempts to critically analyze the position of the law in protecting prior, independent and honest concurrent users and the conflicting interests that would be created for consumers. It also recommends the integration of factors utilized in other jurisdictions in resolving or avoiding this conflict.

Keywords: Trademark, Consumer Protection, Prior Use, Independent Use, Honest Concurrent use, Likelihood of Confusion

DOI: [10.5281/zenodo.19608625](https://doi.org/10.5281/zenodo.19608625)

1. Introduction

The consumer has a right to be protected from any form of confusion that could be created by multiple products from different owners. The rationale for trademark protection could be captured as the protection aimed at balancing the right of the trademark owner and the right of the public to be protected from any form of confusion that would cloud their decision in the market place.¹

* LLB, BL. LLM , PhD. Lecturer, Faculty of Law, Enugu State University of Science & Technology, Agbani (ESUT) e-mail eka4j@yahoo.com, nneka.ezedum@esut.edu.ng .+2348035075066.

¹ Paul Torremans and Jon Holyoak, *Holyoak and Torremans Intellectual Property Law* (2 edn, Butterworths 1998) 348.

Trademarks are intangible assets used by the owners to build trust, quality and reputation. It is a form of short hand, a signal that aid consumers in recognizing familiar brands that the customers relate to goodwill, reputation, quality, taste, consistency and style.²The Trademarks Act states that trademark is infringed when a person uses an identical mark that nearly resembles a registered mark in the same line of trade with respect to the goods the marks are registered for.³ The Act equally provides that a prior, independent or honest concurrent use of an identical or similar mark would not amount to an infringement.⁴ While the Act purports to also protect the right to prior, independent, or honest concurrent use of similar or identical marks, the drafters of the law did not avert their minds to the likely confusion that would be created for consumers by the damaging duplication of similar or identical marks. With these exceptions created for trademark infringement, the issue of likelihood of confusion cannot be erased for trademark protection to the detriment of consumers. This confusion would invariably jeopardize their chances of excellent service delivery when products placed before them are identical or confusingly similar to the ones they were hitherto used to. This paper attempts a critical analysis of the exceptions created for trademark use in Nigeria with respect to prior, independent and honest concurrent users of marks and the conflicting interests that would be created for consumers. It also recommends the adoption of some strategies implemented in other jurisdiction in avoiding or reducing the impact of these exceptions.

The paper comprises of seven sections. Section one is the introduction while section two is an over view of the rationale for trademark protection. The next section discusses the degree of similarity in the use of marks that would likely confuse consumers. Section four and five analyse the consideration of a consumer in trademark protection and the impact of the exceptions created by the use of similar marks on consumers. Section six is an attempt to balance conflicting interests of all the parties to avoid or reduce the likelihood of confusion while the last section is the conclusion

2. Trademark Registration as the Intangible Right of the Owner and Protective Right of the Consumer

Trademarks are tools used to distinguish different products and they equally serve as pointers to consumers who rely on them in making decisions on particular goods or services to rely on.⁵ As a form of intangible right, marks are required to be registered⁶ to avoid infringement or use by third parties. The objective of the legal structure for the protection of trademarks is to ensure that it is only the registered or authorized user of the mark that has exclusive right to the use of the mark. Registration of trademarks confers on the owner of the mark the right to the use of the mark.⁷ This includes the right to affix the mark on goods and packages, the right to introduce the goods to the public and the right to use the goods for advertising purposes.⁸The exclusivity created by

² Stark & Stark, 'Likelihood of Confusion: the *Sine Qua Non* of Trademark Infringement' <https://www.stark-stark.com/news/trademark-infringement-confusion/> Accessed 4 July 2025.

³ Trade Marks Act, Cap T13 Laws of the Federation of Nigeria 2004, s.5(2).

⁴ Trade Marks Act, s 5(4). s 7 and s13(2).

⁵ Jennifer Heaven Mike & Greg Uloko, *Modern Approach to Intellectual Property Laws in Nigeria* (2nd edn, Princeton & Associates Publishing Co. Ltd, 2022) 275.

⁶ Trade Marks Act, s.3. This section states that it is only the registered owner of a mark that has the right to institute an infringement action in court but alternatively gives the unregistered owner the right to take up an action in passing off.

⁷ Trade Marks Act s.5 & 6. Registration under Part A of the Act as provided by s.5(1) is subject to the exceptions created in sections 7 and 8 of the Act.

⁸ Trade Marks Act s.5(2)(b). It is only the owner of a mark that should use the mark for advertising. Registration of trademark entitles the owner to use the mark in its business papers, documents, letter heads and every other form of advertising including bill board displays and digital advertising.

registration entitles the trademark owner with the right to exclude others from the use of the mark, the right to object to the use of confusing or similar marks and the right to bring an action for infringement against third parties. The trademark owner has the right to oppose the registration of similar or identical marks.⁹ This legal right protects both the trademark and the consumer from misleading or confusingly similar or identical marks. Registration equally makes the mark assignable¹⁰ and gives the proprietor the right to assign the mark.¹¹ Anyone not being the registered owner or proprietor cannot use any mark identical to the registered mark or one similar to it as to likely cause a confusion of some sort with respect to those registered goods in that course of trade.¹² The registration of a mark validates the owner to the exclusive use of the trademark.¹³ The Act¹⁴ specifically prohibits the registration of identical marks or similar marks in respect of same goods that would likely deceive or create confusion but went ahead to permit the use of such confusing marks when used independently, honestly or under any other special circumstances. The Act did not define what amounts to honest, concurrent use neither did it define or state the other special circumstances that would permit the registration of identical or similar marks. Thus, the right to exclusive use is however subject to the exceptions created in sections 5(4), 7 and 13(2) of the Act which limits the right of a consumer to be protected in his reliance on a trademark.

Trademarks are valuable as consumer protection strategies; they provide exclusivity and increase the possibility for the products of competitors not to be substituted for a company's mark.¹⁵ It is a fact that goods are purchased by symbols¹⁶ trademarks are symbols and a mark of identity, they protect consumers from being confused about the source of goods or services. One of the objectives of trademark law is to protect consumers from the likelihood of confusion thereby protecting them from any form of injury.¹⁷ Trademarks protect the goodwill of the owner and equally protect consumers from deception¹⁸ because consumers have an interest to be protected by trademark law. The consumer associates a particular product, its goodwill and quality with the brand name or logo and would not want to be confused by similar or identical marks placed on goods that are likely to be of inferior quality.¹⁹ Therefore, trademarks establish recognition in the market and differentiate goods and services from competitors. The consumer should be able to trust the information he receives via trademark which enables him distinguish the source of goods and services and enables him make informed decisions.²⁰

3. Degree of Similarity as to Cause Confusion

A simple comparison of the features of two marks is not enough to conclude on the issue of similarity or confusion, there must exist the likelihood to deceive or cause confusion in the course

⁹ Trade Marks Act s.20(1).

¹⁰ Trade Marks Acts.26.

¹¹ Trade Marks Act, s.29.

¹² Jide Babafemi, *Intellectual Property: The Law and Practice of Copyright, Trade Marks, Patents and Industrial Designs in Nigeria*, ((1stedn, Ibadan, Justinian Books Limited, 2007) 173.

¹³ Trade Marks Act, s.5(1).

¹⁴ Trade Marks Act, s.13(1).

¹⁵ Dirk Crass & Franz Schwiebacher, 'The Importance of Trademark protection for Product Differentiation and Innovation' (2017) *Economia e Politica Industriale* 44, 199-220.

¹⁶ Julius R Lunsford, 'Consumers and Trademarks: The Function of Trademarks in the Market Place' *Trademarks Rep.* 64, 75, 1974.

¹⁷ David A Simon, 'Trademark Law & Consumer Safety' (2020) *Fla. L. Rev.* 72, 673..

¹⁸ Micheal Grynberg, 'Trademark Litigation as Consumer Conflict' (2008) *NYUL Rev.* 83, 60.

¹⁹ Paul Torremans and Jon Holyoak, *Holyoak and Torresmans Intellectual Property Law* (n 1) 347.

²⁰ William Cornish and David Llewelyn, *Intellectual Property: Patent, Copyright, Trade Marks and Allied Rights* (5 edn, Sweet & Maxwell, London 2003) 588.

of trade as provided by the Act.²¹ For the purpose of likelihood of deception or confusion, it means that the consumer when confronted with the similar goods that bear same trademark is confused about the origin of the goods and services. It means that the judgment of the consumer is clouded and he thinks the similar goods bear their origin to the registered trademark owner.

In determining what amounts to confusingly similar, the court in *Ferodo Limited v Ibeto Industries*²² stated that it implies “whether a person who sees a mark is likely to confuse it with an existing one, as to create the impression that the new mark is the same as the existing mark”. The issue in that case was whether a mere likelihood of association which the consumer would likely make between the two marks as a result of their resemblance was sufficient to satisfy the requirement for likelihood of confusion. The court stated that likelihood of association is not an alternative to likelihood of confusion rather that the marks should be considered as a whole. Some factors to be considered are, first the degree of recognition of the trade in the market, secondly the degree of similarity between the two marks and between the goods and services that are labeled, as well as the possibilities to make associations with the registered trademark and lastly the perspective of the average consumer, must be considered. The court considers that the average consumer might not have the opportunity of comparing the marks before taking a decision but depends on his general recollection of trademark.²³ There are a number of factors that the courts take into account in determining similarity. They include the literacy of the public in perspective, the sight as well as the sound of the infringing mark. In *Alban Pharmacy v Sterling Products International*²⁴ the court held that Casorina sounded too similar to Castorina sound and would likely confuse consumers. The court held that the person with imperfect recollection, the incautious, the illiterate as well as those who will order via telephone should all be considered in the decision to allow the mark. In deciding that case, the court referred to the position of *Sargent J. In the Matter of Application for registration of a Trade Mark*²⁵ who opined thus:

The question is not whether if a person is looking at two trademarks side by side there would be a possibility of confusion, the question is whether the person who sees the proposed Trade Mark in the absence of the other Trademark, and in view of only his general recollection of what the nature of the other Trade Mark was, would be liable to be deceived and to think that the Trade Mark before him is the same as the other, of which he has a general recollection.²⁶

Similarly, Glucose-Aid was also held to sound similar to Lucozade and would likely cause confusion in the market place in the case of *Beecham Group Ltd v Esdee Food Products (Nig) Ltd*.²⁷

Apart from a mark being identical or nearly resembling a registered trademark as to be likely to deceive or cause confuse, the mark must be used in the same course of trade and in relation to

²¹ “Trademark Infringement: Analyzing the Concept of “Confusingly Similar Trademarks”” <http://www.banwo.ighodalo.com/grey-matter/trademark-infringement-analyzing-the-concept-of-confusingly-similar-trademarks/> Accessed 26 June 2025.

²² 2004 LPELR.

²³ D Oriakhogba & I Olubiyi, *Intellectual Property law in Nigeria: Emerging Trends, Theories and Practice*, (Paclerd Press Limited, 2021) 329.

²⁴ (1968) All NLR 292.

²⁵ (1914) 31 RPC 196.

²⁶ Ibid, 205.

²⁷ (1985) 3 NWLR (Pt11) 112.

any of the goods it is registered for.²⁸ In *Fan Milk Int v Manderin Oriental Services*, the court held that the two marks were not identical as to cause confusion and more so, were not used in the same business. The Appellants mark was for goods while the Respondent's was for services. The court also in that case stated guidelines to assist in comparing two marks. Therefore, the question is not a physical comparison of the two marks to determine confusion but whether there would be a possibility of confusion when a person sees the disputed mark in the absence of the registered trademark. In that case, whether a consumer who sees the two marks differently would think that the trademark before him is the same as the other one of which he has a general recollection.

4. The Consumer: An Important Factor in Trade Mark Protection

The decisions of the courts in determining infringement of trademark show that the perspective of the consumer is paramount in considering what amounts to likelihood of deception or confusion in trademark infringement. As noted "the average consumer normally perceives the mark as a whole and does not proceed to analyse its various details"²⁹ so the likelihood of confusion or deception will be high in identical or nearly resembling marks.

Who then qualifies as a consumer and entitled to trademarks protection? A consumer is one who is supplied goods or services for personal use by one who is in that course of business or a person who uses or is affected by the use of that product or services.³⁰ It includes a person "who purchases or offers to purchase goods other than for the purpose of resale...or to whom a service is rendered".³¹ The Federal Competition and Consumer Protection Act (FCCPA) promotes the fair, efficient and competitive markets in Nigeria and provides that the consumer has the right to receive goods that are reasonably suitable for the intended purpose³² and are of good quality.³³ For some consumers, good quality means a product that they have previously used and can relate with. A consumer places reliance on marks because they associate marks with certain goods or services that have been guaranteed to meet their expectations.³⁴ Most importantly marks indicate the source of goods therefore, consumers rely on marks to know the company from where the product originate.³⁵ Trademarks serve consumers by acting as a guide and assisting consumers to make informed choices on products or services to use.³⁶ Products are manufactured for consumers, marks help consumers to identity or relate to goods therefore the perspective of the consumer is paramount in deciding what amounts to confusing marks.

The courts in deciding infringement of trademark have relied on the concept of the average consumer. The question that arises thus, is "who is an average consumer that would aid the court in adjudicating on infringing mark cases?" Consumers are differentiated by location, intellectual ability, social values and economic statuses; it would therefore be difficult to put into perspective the opinion of all consumers hence, the concept of an average consumer. In *Compass Banca SpA*

²⁸ Trade Marks Act, s.5(2).

²⁹ *Sabel BV v Puma AG Rudolf Dassler Sport* (1998) ECR I-6191.

³⁰ FO Ukwueze, 'Towards a New Consumer Rights Paradigm: Elevating Consumer Rights to Human Rights in South Africa' (2016) 32:2, *South Africa Journal on Human Rights*, 248-271.

³¹ The Federal Competition and Consumer Protection Act, 2018, (FCCPA), s.167(1).

³² FCCPA, s.131(1)(a).

³³ FCCPA, s.131(1)(b).

³⁴ William Cornish and David Llewelyn and Tanya Frances Aplin, *Intellectual Property: Patent, Copyright, Trade Marks and Allied Rights* (8edn, Sweet & Maxwell, London 2013) 587.

³⁵ Desmond Oriakhogba & Ifeoluwa Olubiyi, (n 23) 289,

³⁶ Adejoke O Oyewunmi, *Nigerian Law of Intellectual Property* (1stedn, Lagos, University of Lagos Press and Bookshop Ltd, 2015) 231.

*v Autorita Grantebdella Concorrenza e del Mercato (AGCM)*³⁷ the average consumer was defined as one “who is reasonably well-informed, reasonably observant, and circumspect”. The concept of the average consumer is important because it is a reflection of the proportion of the public that would likely be deceived by the existence of two confusing or similar trademarks.³⁸ The average consumer in trademark was first used in *Sabel BV v Puma AG Rudolf Dassler Sport*³⁹ where the court held that “the perception of marks in the mind of the average consumer of type of goods or services plays a decisive role in the global appreciation of the likelihood of confusion”. An average consumer plays an important and significant role in trademark law. It is the view of the average consumer that aids the court in determining what amounts to likelihood of confusion in trademark infringement cases.⁴⁰ An average consumer is an imaginary person, one who is seen to be reasonably observant and well informed, though currently it is argued that the characteristics of an average consumer differs from one location to the other.⁴¹

5. Conflict between the Right to the use of a Mark and the Protection of Consumers

The Act provides that the registration of a trademark as *prima facie* evidence of the validity of the registration.⁴² This registration provides exclusivity to the use of a mark and is a prerequisite for instituting an infringement action in court.⁴³ The protection of a registered trademark presupposes registration of a mark and gives the owner of the mark the exclusive right to the use of the mark with respect to the goods it is registered for. However, the Act equally made provision for the use of similar or identical marks and creates exceptions to the use of similar or marks identical to registered trademarks.

For the purpose of this paper, we will rely specifically on the protection provided for registration in Part A of the register. Therefore, the Act states that registration thereof in respect of any goods if valid gives or is deemed to have given that person the exclusive right to the use of that mark in relation to those specific goods.⁴⁴ The right provided in this section though subject to the provisions of section 7 and 8 is deemed exclusive. However, the exclusivity granted to the trademark owner under section 5(1) of the Act contradicts the exception provided subsequently. Section 5(4) creates an exception to section 5(1) of the Act and provides that:

The use of a registered trademark, being one or two more registered trademarks that are identical or nearly resemble each other, in the exercise of the rights to the use of that trademark given by such registration as aforesaid, shall not constitute an infringement of the right to the use of any other of those trademarks given by such registration.

This means that where there are two or more identical or closely resembling marks, each trademark owner has the right to use his registered mark and such use would not be considered an infringement of each other’s mark. This is invariably known as the right of independent or

³⁷ ECLI: EU:C:32024:957. The case involved an interpretation of Directive 2005/29/EC on Unfair business to consumer commercial practices and Directive (EU) 2016/97 on Insurance Distribution.

³⁸ “Trademark Infringement: Analyzing the Concept of “Confusingly Similar Trademarks” n 19.

³⁹ (1998) ECR I-6191

⁴⁰ Jenniffer Davis, ‘Revisiting the Average Consumer: an Uncertain Presence in European Trade Mark Law’ (2015) *Intellectual Property Quarterly* 15

⁴¹ Uduakabasi N Ekpo, “The Characteristics and Significance of the Average Consumer in Trade Mark Law” https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4237442 Accessed 26 June 2025.

⁴² Trade Marks Act, s.49.

⁴³ Trade Marks Act s.3. In the case of non-registration the mark owner can bring an action for passing off of his goods.

⁴⁴ Trade Marks Act s.1(1).

concurrent use of registered marks and justifies the grant of registration rights to multiple identical or similar marks. How would a consumer who relies on the goodwill and reputation of one mark be protected from the confusion that would arise from multiple, similar or identical marks?

Section 5(4) of the Act presupposes that there could be two or more similar marks validly registered by the trademarks registry. This could mean either that the registration process is not strict or substantive as to detect similar or identical marks and avoid dual registration of similar or closely resembling marks. Another explanation to the dual registration could be that the registry does not have a comprehensive database of registered mark where a search could be promptly conducted to detect similar marks and therefore avoid duplicity of marks. Substantive examination process or comprehensive data base search should alert the trade mark registrar that the subsequent mark is un-registrable. This is intended to avoid duplication of the mark which would deplete the reputation of the trademark owner⁴⁵ and cause confusion to consumers. The issue of confusion in the market place is the objective of this argument and not infringement *simpliciter*. The argument would be different if it were a case acquiescence. When a registered mark owner being aware of subsequent use of his mark acquiesced on their right, then they should not be heard to complain after allowing the defendant use the identical mark and not raising an objection to such use. This was so held in the case of *Electro Tecnishe Fabrik Schmit & Co Diamond-Works GMBS v Bateria Slany Narodni Podnic*.⁴⁶

In the United States, the Lanham Act provides for the refusal of registration of marks on the grounds of likelihood of confusion, this is referred to as Section 2(d) refusal. Based on that, the United States Patent and Trademark Office (USPTO) uses a multi-factor analysis known as “Dupont Factors” to detect similar marks that would likely confuse consumers and thereby refuse their registration.⁴⁷ The Dupont Factors in determining likelihood of confusion include “similarity of the marks, similarity of the goods or services, similarity of distribution channels, purchaser care, fame of the mark, similar commercial impression, actual confusion and defendant’s intent”.⁴⁸ The patent registrar applies these factors in considering a mark for registration and denies an application in view of potential confusion to customers. This invariably reduces the number of similar marks that would be registered by the US patent office. Thus, the advice to potential applicants to conduct a thorough trademark search is justified. This would save companies from investing in a mark or brand that is similar to a registered mark that would be denied registration subsequently or regarded as confusingly similar when issues of honest concurrent use arise.

Another exception created by the Nigerian Trademarks Act is recorded in section 7 which provides an exemption for the use of vested interests in trademarks even without being registered. The Act states thus:

Nothing in this Act shall entitle the proprietor or a registered user of a registered trademark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date previous to:

⁴⁵ Paul Torremans and Jon Holyoak, (n 1) 366, 377.

⁴⁶ (1972) All NLR 143.

⁴⁷ Likelihood of Confusion: Similar Marks Can be Confusingly Similar in the Eyes of the Consumer” <https://sierraiplaw.com/likelihood-of-confusion/#>: Accessed 22 August 2025.

⁴⁸ These factors were considered in the *re E.I. du Pont de Nemours & Co.* 476 f.2d 1357 (CCPA 1973).

This provision came into play in the case of *American Cyanamid Co v Vitality Pharm Ltd.*⁴⁹ In that case the court held that the continuous use of the mark “Gonorcin” by the defendants did not infringe the plaintiff’s subsequent registration of “Gonocin”. The apex court stated that section 7 “protects trademarks which are identical with or nearly resembling that of a proprietor or a registered user of a registered trademark where such trademark has been in continuous use by another of his predecessor in title, previous to the date of the registration of the new trade mark”.⁵⁰ This case deals with companies that were vendors of products that were trademarked in different countries before their registration in Nigeria. However, this dilemma would still exist in cases of products bearing their origin to Nigeria because the Act did not set territorial limitations to the application of the section. In the case of unregistered trademarks, it is recognized that it would be difficult to detect an unregistered trademark so as to avoid duplication. However, the resultant duplication that would be occasioned by allowing the use of two similar/ identical marks in the market place is one that would undoubtedly confuse consumers.

The third instance whereby the Act allows the use of identical or similar marks is in section 13(2)

In case of honest concurrent use, or other special circumstances which in the opinion of the court or the Registrar make it proper so to do, the court or the Registrar may permit the registration of trademarks that are identical or nearly resemble each other in respect of the same goods or description of goods by more than one proprietor subject to such conditions and limitations, if any, as the court or the registrar, as the case may be, may think it right to impose.

The Act specifically states that identical or nearly resembling marks already registered with respect to same goods but belonging to a different proprietor should not be registered⁵¹ and subsequently contradicts the first provision of the law in the next sub-section.⁵² The above provisions of the Act did not contemplate the right of the consumer to be protected from conflicting or confusingly similar marks. This clearly undermines and devalues the concept of trademark as an indicator of origin of goods and as an asset in the market place.⁵³ Section 13(2) allows two proprietors to register similar marks for same goods and this could make consumers to create a link between the two products thereby diluting brand identity and creating mistrust of products. The intent of trademark protection is to create exclusivity for a registered mark owner but the permissive dilution created by section 13(2) would invariably weaken the distinctive nature of a brand and eliminate the right of a registered proprietor to enforce their right.

Obviously the view of the consumer is relevant in adjudicating trademark infringement and the test for infringement is based on consumer perception. It is valid therefore that the interest of the consumer should be of paramount interest in creating exemptions to trademark infringement. Particularly as section 13(2) gives the registrar the power to permit the registration of similar or identical marks, there is therefore no consideration of the consumer rather the interest of business owners is prioritized.

No assistance is provided on what would amount to “honest concurrent use” and “special circumstances” that would form the opinion of the court or the registrar in allowing the registration of similar or identical marks. In some jurisdictions, the subsequent user must be using

⁴⁹ (1991) 2 NWLR 15.

⁵⁰ Ibid, 18.

⁵¹ TMA s.13(1).

⁵² TMA s.13(2).

⁵³ Paul Torremans and Jon Holyoak, *Holyoak and Torremans Intellectual Property Law*, (n 1) 367.

the mark in a different location and such use must be done in good faith.⁵⁴ In analyzing honest use, the interest of the consumer should be considered because the degree of the confusion will be greater where the marks are closely similar and are in respect of same goods and services.⁵⁵

The test for honest practices is subjected to objective standards and not subjective decisions.⁵⁶ If ignorance of a mark and subsequent continuous use without any intention to deceive anyone or benefit from the goodwill of another user passes the honest use test, what happens to the fate of consumers and the possibility of the confusion created therein. It will seem that the interest of competitors is paramount over and beyond that of consumers.⁵⁷ Co-ownership of trademarks can disrupt the connection between the mark and the source making consumers susceptible to confusion.⁵⁸ Dual ownership of marks would conflict with the protection that ought to be provided by trademarks. Marks are utilized by owners to distinguish their goods/services from those of others and this distinguishing factor triggers an association in the consumer's mind about the origin, the quality and value of the goods and services.⁵⁹

The exceptions to trademark infringement as outlined above lower the standard established for likelihood of confusion. This thereby exposes consumers to the risk of product dis-satisfaction, search cost and equally impacts the trademark owner in the loss of reputation and goodwill. To clearly identify the origin of a product, the protection of the trademark has to prevent confusion.⁶⁰

6. An Attempt to Balance Conflicting Interests/ Rights

It has been opined that registration of similar marks could be allowed but limited to a geographical area of use in a bid to avoid confusion.⁶¹ Companies with similar products who wish to co-exist can have an understanding of terms to limit their business to specific locations and extend their boundaries so as not to clash with the others territory or confuse consumers. Companies with similar products can enter into Trademark Consent Agreement⁶² or Coexistence Agreement⁶³ which allows the two companies to use and register their marks.⁶⁴ This however has challenges because the expansion of businesses might not be contemplated at the period of this

⁵⁴ Davids S Barrett 'Concurrent use of Trademarks Doctrine in the Information Age' (2000) *Hastings Comm. & Ent. L.J* 23, 687.

⁵⁵ Intellectual Property Department, 'Consent, Honest Concurrent Use and Other Special Circumstances' <https://www.ipd.gov.kk> Accessed 3 July 2025.

⁵⁶ Cornish and Llewelyn, (n 20) 722.

⁵⁷ Ibid, 683.

⁵⁸ Natalia B Spiridonova, 'Trademark Co-Ownership: Balancing the Single-Source Doctrine and Property Rights in the American Context' *Digital Law Journal* 2025 <https://doi.org/10.38044/2686-9136-2024-5-3-1> Accessed 2 July 2025

⁵⁹ Cornish and Llewelyn, (n 20), 571

⁶⁰ Ha ThiNguyet Thu, 'Well Known Trademark Protection: Reference to the Japanese Experience' (Final Report in Fulfillment of the Long Term Fellowship sponsored by WIPO in Collaboration with the Japan Patent Office 2010) <https://www.wipo.int> Accessed 4 July 2025.

⁶¹ Tamara Nanayakkara, "IP and Business: Trademark Coexistence" <https://www.wipo.int/web/wipo-magazine/articles/ip-and-business-trademark-coexistence-35523> Accessed 20 August 2025.

⁶² The Trademark Consent Agreement is used when a brand has been denied registration by the Trademarks office due to an existing registered trademark. The U.S Patent and Trademark Office (USPTO) would consider this agreement and allow registration where the parties state categorically that the dual registration would not confuse customers and they would take adequate actions to ensure non confusion of customers.

⁶³ Trademark Coexistence Agreement provides greater protection, is more detailed, provides geographical areas for each parties use, marketing methods etc that the two parties can utilize for their marks.

⁶⁴ Jordan Meggison-Decker, "Trademarks Consent and Coexistence Agreements" https://www.google.com/amp/s/www.brownwinick.com/insights/trademark-consent-and-coexistence-agreements%3fhs_amp=true Accessed 20 August 2025.

agreement. This was highlighted in the case of *Apple Corps Limited v Apple Computers, Inc.*⁶⁵ The two companies had similar marks but had signed a coexistence agreement to continue their business without infringing on each other's right but they did not contemplate that advancement of musical technology would bridge that gap. The court in resolving the conflict considered the view of the consumer and held that no consumer downloading music using the iTunes software launched by Apple computers would confuse it with Apple Corps.

To protect consumers from confusion and equally protect the goodwill of their trademark, owners can opt for defensive protection of their mark.⁶⁶ The Act provides that where a mark is registered under an entirely different class of goods the likelihood of confusion might not arise which is why the Act provides protection against registration in the same class of goods. Trademark owners who want to go the extra mile of ensuring their consumers are protected from any confusion whatsoever can register their mark in all the classes of goods. This defensive registration is aimed at preventing others from using similar marks for their goods that could most likely confuse customers or dilute the distinctiveness of the well-known mark.⁶⁷ Defensive registration is however limited to only well-known marks since similar use would likely create a connection between the well-known mark and the other mark thereby indicating a connection in the course of trade. This limitation to only well-known marks invariably exposes other registered marks to dual registration under exceptions created by the Act.

In the United States, the Lanham Act protects marks owners by giving them exclusivity for the use of their marks which aids consumers to identify products with certain marks; this is a valid consumer interest objective. Though the Lanham Act allows consent for dual use of marks, it prioritizes consumer interest by refusing registration of marks when there are conflicting interests. One of the ways protection is provided for consumers under the Lanham Act is ensuring dual use in different geographic areas.⁶⁸

For honest business practices, it is fair that a company conducts a thorough trade mark search to ensure that it doesn't use another business' trademark. Some jurisdictions like the EU interpret the concept of Honest Concurrent use strictly on the basis of fairness. In *Gnat and Company Ltd & Anr. v West lake East Ltd & Anr.*⁶⁹ though both brands had been operating and co-existing for 12 years without evidence of actual confusion but the defence of honest concurrent use failed. The court in that case held that "if a party starts to use a trading name without appropriate advice and simple searches, such use will not have been honest concurrent use".⁷⁰ It is only fair that a company conducts a thorough search before using a trademark so as not to infringe another's registered mark. This reasoning has become expedient because recent decisions in other jurisdictions show that honest concurrent use is not relied alone as a specific defence but a factor for consideration in accessing defence to an infringement claim.⁷¹ Though section 7 of the UK Trademarks Act 1994 provides for registration under honest concurrent use unless an objection is

⁶⁵ (2006) EWHC 996 (Ch). 3.

⁶⁶ Trademarks Act, s.32.

⁶⁷ Banwo & Ighodalo, "IP Protection Framework in Nigeria-Trademarks" <https://www.banwo-ighodalo.com/grey-matter/ip-ptotection-framework-in-nigeria-trademarks/> Accessed 20 August 2025.

⁶⁸ Daisy Banakhede "Understanding Section 12 of the Trademark Act 1999: Honest Concurrent Use and Its Implications" 2025 <https://www.ipandlegalfilings.com/understanding-section-12-of-the-trademark-act1999-honest-concurrent-use-and-its-implications/> Accessed 22 August 2025.

⁶⁹ [2022] EWHC 319 (IPEC).

⁷⁰ Ibid per Judge Hacon.

⁷¹ What is the Future for the Honest Use Defence and in what Scenario can a Defendant Successfully rely upon the Defence? <https://www.patents.co.uk/news/2024/what-is-the-future-for-the-honest-use-defence-and-in-what-scenario-can-a-defendant-succesfully-rely-upon-the-defence#> Accessed 21 August 2025.

raised in opposition by the owner of the earlier mark but this provision is not reflected in EU law.⁷² The courts have stated that there are no statutory grounds for such a defence under UK or EU law, honest concurrent use is merely a factor to be considered in an infringement claim but it is not a standalone defence.⁷³ In a case of co-existence of marks, an attempt to encroach on the goodwill of the other party will defeat the defence of honest concurrent use.⁷⁴

7. Conclusion

Though Section 13(2) is a well-intended provision of the law to address fair honest practices in the commercial world, while the aim of sections 7 & 5(4) is to accommodate prior and independent registration of rights, they however adversely conflict with the public interest considerations of trademark law. There is therefore need for further clarification and scope of “honest concurrent use” with focus on interpreting the phrase with the view of ensuring no confusion exists among consumers despite the similarity of marks. Section 13(2) should be applied strictly and permitted only when it is clear that such registrations would not conflict with the consumer protection goal of trademark. The registrar’s decision to allow dual use of a mark on the basis of honest concurrent use is not just an administrative exercise rather it should be one arrived at after a careful balancing of competing interests⁷⁵ and most importantly on the ground that consumers will not be deceived by such use. Equally, if the registrar exercises due diligence in the examination of applications for trademarks reliance on Section 5(4) will be reduced because similar marks will not be granted registration rights.

⁷² Louise Popple ‘Match.com-Honest Concurrent Use is not a Stand-Alone Defence to Infringement, Says Court of Appeal’ <https://www.taylorwessing.com/en/insights-and-events/insights/2023/06/bu-match-group-v-muzmatch> Accessed 21 August 2025.

⁷³ *Match Group LLC v Muzmatch Ltd* [2023] EWCA Civ 454.

⁷⁴ “Bentley: Trade Marks Override Honest Concurrent Use Defence” <https://insigniatrademarks.co.uk/knowledge-hub/how-registered-trade-marks-smoothe-the-path-to-successful-brand-protection/> Accessed 21 August 2025.

⁷⁵ Daisy Banakhede ‘Understanding Section 12 of the Trademark Act 1999: Honest Concurrent Use and Its Implications’, 2025 <https://www.ipandlegalfilings.com/understanding-section-12-of-the-trademark-act1999-honest-concurrent-use-and-its-implications/> Accessed 22 August 2025.