



L&A - Legal Consultants

Intellectual Property



L & A Briefs



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Protecting Your Business Ideas in Nigeria: Legal Strategies to Prevent Misappropriation and Disputes

Introduction

In today's business environment, ideas often form the foundation of commercially valuable products and services. Whether in technology, media, manufacturing, or creative industries, businesses frequently share operational models in the course of negotiations and investment discussions.

However, one recurring challenge is the assumption that every idea is automatically protected by law. In practice, Nigerian law does not generally protect bare ideas in the abstract. Protection typically arises only where the idea has been expressed in a legally recognisable form or is supported by contractual and confidentiality obligations.

As a result, businesses that disclose commercially valuable ideas without adequate legal protection may face risks of unauthorised use, loss of competitive advantage, and disputes over ownership and exploitation.

This article briefly examines the legal strategies businesses can adopt to reduce the risk of misappropriation and better protect their proprietary ideas in Nigeria.

The Legal Position on Protection of Ideas

Under Nigerian law, there is a distinction between an idea itself and the expression of that idea. For example, copyright protection under the Nigeria Copyright Act, 2022 does not extend to mere concepts, methods, or ideas. Rather, protection applies to original works that have been fixed in a definite medium of expression, and the protection is automatic.¹

¹ Section 2(1)(b) Nigeria Copyright Act, 2022



This means that while a business idea alone may not attract copyright protection, documents, software, designs, presentations, business plans, audiovisual content, and other tangible expressions of that idea may qualify for protection. The idea-expression dichotomy is a venerable principle which underpins copyright law.

However, patent law treats the protection of ideas differently. Certain business innovations which are new, involves inventive activity and capable of industrial application may qualify for patent protection under the Patents and Designs Act.² Unlike copyright, they require formal registration or grant of patent. In many commercial situations, the most practical protection arises not from intellectual property registration alone, but from contractual arrangements and confidentiality obligations.

Confidentiality as a Primary Line of Protection

One of the most effective ways to protect commercially sensitive ideas is through confidentiality agreements, commonly referred to as **non-disclosure agreements (NDAs)**.

These agreements impose legal obligations on parties receiving confidential information and restrict the unauthorised use or disclosure of such information. Properly drafted confidentiality provisions should clearly define what constitutes confidential information, the permitted scope of use, the duration of the obligation, and the consequences of breach.

Importantly, businesses should ensure that confidentiality arrangements are executed before sensitive information is disclosed. Attempting to impose restrictions after disclosure may significantly weaken enforcement prospects.

In addition to standalone NDAs, confidentiality clauses should also be incorporated into employment contracts, consultancy agreements, partnership arrangements, and investment discussions where proprietary information may be exchanged.

Ownership and Documentation

Disputes relating to business ideas frequently arise where ownership expectations are unclear. This is particularly common in startup environments, collaborations, and informal commercial relationships.

Businesses should therefore ensure that development, ownership of intellectual property and commercially valuable materials is expressly addressed in written agreements. This includes clarifying whether rights created during a collaboration belong to one party, are jointly owned, or are subject to licensing arrangements.

Maintaining proper records is equally important. Emails, drafts, dated materials, meeting records, development timelines, and evidence of creation may become critical in establishing authorship, ownership, and prior use in the event of a dispute.

Managing Risk During Commercial Discussions

Businesses often disclose commercially sensitive information during negotiations with potential investors, partners, contractors, or service providers. While such disclosures may be commercially necessary, they should be approached carefully.

Parties should avoid disclosing more information than is reasonably necessary at the preliminary stages of discussions. Sensitive technical details, operational frameworks, or commercially strategic information should only be shared progressively and under appropriate contractual safeguards.

²Section 1(1) Nigeria Patent and Designs Act, 1971



Where third parties are engaged to develop products, software, branding materials, technology or creative content, agreements should expressly provide for ownership and assignment of intellectual property rights to avoid future disputes.³

Responding to Misappropriation

Where a business idea or confidential information has been misused, the affected party may have access to contractual, statutory, or equitable remedies depending on the circumstances. In appropriate cases, businesses may seek injunctive relief to restrain further misuse, damages for losses suffered, or other remedies arising from breach of confidence, breach of contract, or infringement of protected intellectual property rights.

However, the ability to successfully enforce rights often depends on the existence of clear contractual protections and proper documentation. Businesses that fail to put preventative measures in place may face significant evidential and enforcement challenges.

A Proactive Protection Strategy

Protecting business ideas requires a proactive and commercially conscious approach. Businesses should not assume that commercial value alone guarantees legal protection.

Instead, protection strategies should combine confidentiality measures, intellectual property registration where applicable, proper contractual structuring, and careful management of commercial disclosures. Early legal input is often critical in identifying vulnerabilities and reducing the likelihood of disputes.

As businesses increasingly rely on innovation and intangible assets to remain competitive, the ability to effectively protect proprietary ideas has become an essential part of commercial risk management.

Conclusion

While Nigerian law may not protect ideas in the abstract, businesses are not without protection. Through a combination of intellectual property rights, confidentiality obligations, and well-structured agreements, businesses can significantly reduce the risk of misappropriation and commercial disputes.

IP is both a legal protection and a commercial tool. The most effective protection lies not only in legal rights themselves, but in the steps taken to properly structure, document, and enforce those rights from the outset.

For further guidance on protecting business ideas, confidentiality arrangements, and intellectual property strategies in Nigeria, please contact our Intellectual Property team at **L & A – Legal Consultants**.

³Section 28(1) Nigeria Patent and Designs Act, 1971