

Croatia

Croatia gets its IP regime in order as EU membership looms

Croatia's negotiations to join the European Union are helping to propel this fast-growing economy into the frontline of developed nations. The chapter on intellectual property, Chapter VII, is now complete, meaning that the Croatian IP system is fully harmonised with that of the European Union. Croatian citizens and companies are becoming increasingly aware of the usefulness and importance of intellectual property. Despite this, the majority of applications for IP protection are still filed by foreign companies and individuals, although this can largely be attributed to the costs involved in pursuing this kind of protection.

The Croatian IP system comprises patents, trademarks, industrial designs, geographical indications and topographies of semiconductor products. The government body responsible for intellectual property is the State Intellectual Property Office (SIPO).

Patents

Patents are governed by the Patent Act (*Official Gazette* 173/2003, 87/2005, 76/2007). The basic requirements for granting a patent are that the invention have novelty, inventive step and industrial application. Applicants must submit a form requesting the grant of the patent, which contains details of the inventor, the name of the invention and data on the representative. In addition, applicants must file a description, examples, drawings and an abstract of the invention, as well as the patent claim itself. After the application has been filed, SIPO checks that all formal requirements have been met and then publishes the application 18 months after the filing date. Within six months of publication, the applicant must decide whether to request a full examination, resulting in a full patent, or to obtain a so-called 'consensual' patent. Patents that undergo the full examination process are granted for 20 years, while consensual patents are granted for only 10 years. Anyone may file an opposition to a consensual patent, in which case it must be examined in order to remain valid. Once the examination is successfully completed,

SIPO decides whether to grant the patent. If granted, the patent is then entered in the Patent Register, which is maintained by SIPO. The patent holder can now request that a patent certificate be issued. The time needed to obtain a patent varies depending on the field to which the patent belongs, but it is usually measured in years.

New developments in the patent field in 2009 include changes to the provisions on additional protection certificates, which apply to medicines for human or animal use. Such certificates may now be issued where a base patent is granted for a product that is part of a drug intended for humans or animals, or for the protection of plants, which requires marketing authorisation from a competent government body. The rights obtained through the certificate are granted for the period from the first application for the base patent until the issuance of the marketing authorisation, minus five years. A certificate can be issued at the request of the holder of the base patent, which must request it within six months of being issued with a marketing authorisation or, if such an authorisation was issued before the base patent was granted, within six months of the decision to grant the patent being published. The protection afforded by the certificate will apply only to the product covered by the marketing authorisation, as well as for any use of the product that was authorised before the certificate expired.

In addition, the London Agreement, which relates to the translation of patent claims, now applies to all European patents, as well as to extended European patents. The agreement applies regardless of whether the patents were granted after first instance proceedings or after an appeal.

Trademarks

The other major area of intellectual property in Croatia is trademark protection, the legal foundation for which is the Trademarks Act (*Official Gazette* 173/2003, 54/2005, 76/2007, 30/2009). Trademark protection is

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the most sought-after type of IP protection in Croatia and is relatively straightforward to obtain, with a positive cost-benefit ratio for prospective rights holders.

To obtain protection, applicants must first file an application with SIPO. Natural or legal persons that are neither domiciled within Croatia nor have their principal place of business in the country must be represented by an authorised representative. Once a trademark application has been filed, SIPO will examine it and publish it in *The Croatian Intellectual Property Gazette*, provided that there are no absolute grounds for refusal. Should such grounds be found, the applicant will be called to answer them within 60 days. Upon publication, an opposition can be filed by other rights holders within three months, based on specific reasons – so-called ‘relative grounds’ for refusal. After checking that the formal prerequisites for opposition have been met, SIPO will notify the applicant about the opposition and grant it 60 days in which to file a response. Filing a timely response is important; the law prescribes that should the applicant fail to do so, SIPO will refuse the application within the limits of the requests referred to in the opposition. After this procedure is successfully completed, SIPO will issue its decision on whether to grant the trademark. A relative novelty incorporated into the Trademarks Act (from June 1 2008) is the in-house SIPO appeal procedure. This offers the possibility of filing an appeal against a SIPO decision with the SIPO Board of Appeal. The unsatisfied party has one last legal remedy against such a second instance SIPO decision: an administrative claim filed before the Administrative Court.

The Trademarks Act was recently amended; the biggest change – or rather, addition to the act – is a new section entitled “Continuation of Proceedings” (a

similar section has also been added to the Industrial Design Act). This new section enables applicants that have failed to perform a mandated action within the prescribed timeframe, and have thereby suffered a loss of rights from their trademark application or the trademark itself, to apply for a continuation of proceedings. The deadline for filing such a request lapses two months after the applicant or rights holder has discovered the earlier-mentioned consequences (ie, the loss of rights from the trademark application or loss of the trademark itself).

Another section introduced into the Trademarks Act concerns the transformation of internationally registered trademarks into national applications for trademark protection in Croatia. The act provides that if all prerequisites are fulfilled for transforming an internationally valid trademark into a trademark application in Croatia, that trademark will be registered at SIPO before or on the date on which it was removed from the international trademarks register, provided that official fees for the 10-year protection period and the trademark’s publication have been paid. The registration date for the national trademark application will be the international filing date.

International trademarks that are not valid in Croatia on or before the date on which they are removed from the international trademarks register are considered an integral part of the application for trademark protection in Croatia. As with transformed trademarks mentioned before, the priority date will be the date of the trademark’s international registration.

Industrial designs

The Industrial Design Act defines a ‘design’ as the outer appearance of a product, in its entirety or in part,

which results from its characteristics, especially lines, shapes, colours, textures and materials. A design must be novel and unique in character in order to qualify for protection. An applicant must file a request for protection; this consists of a prescribed form, which lists general information on the designer, applicant and representative, as well as up to six photographs or other renderings of the design. SIPO checks for compliance with the formal requirements necessary in order for protection to be granted. Provided there are no objections to these conditions, SIPO then issues a decision on granting design protection. A certificate can be issued in conjunction with this. Designs are protected for five years. This can be extended up to four times, to a maximum of 25 years. Usually it takes between three and eight months to complete the procedure and register a design.

Several changes were introduced in 2009, among them a rule stating that an application with an established filing date cannot be altered by widening the subject that is to be protected. Permitted changes include:

- correcting applicants' names and addresses; and
- correcting obvious textual or other mistakes, provided that such corrections do not widen the subject.

The time limit for responding to a provisional refusal of protection with regard to an extension of effects for an international registration is now four months, calculated from the date following receipt of the provisional refusal.

Geographical indications and appellations of origin

Responsibility for administering protection in this area is divided between the Ministry of Agriculture, Forestry and Water Management, which is in charge of indications regarding food and wine, and SIPO, which handles all other applications. A geographical indication and a designation of origin may be in verbal form; a geographical indication of origin may also be in figurative form. The procedure for entering a geographical indication or designation of origin for products or services in the register shall be instituted upon written application with a specific request. The specification of a geographical indication should include:

- the name of the product or service;
- special characteristics with detailed and professional descriptions indicating that the products or services have a special quality, reputation or other special characteristics;
- a precise identification of the geographical region to which the request relates; and
- any other relevant data.

The specification of a designation of origin should include:

- the name of the product or service;
- its description;
- a definition of the geographical area;
- a description of the method for obtaining the product; and
- if appropriate, the authentic and unvarying local methods, and the specialties in providing services related to the geographical area.

Once an application is filed, SIPO conducts a formal and a substantive examination. Upon completion of this, the application is published and is subject to possible opposition. Finally, if all goes well, SIPO decides whether to grant protection to the geographical indication or appellation of origin. The duration of said rights is unlimited.

The Act on Geographical Indications and Designations of Origin has not been changed recently.

Topographies of semiconductors

A topography application must contain the data identifying the topography and drawings or photographs of layouts or of individual layers of the semiconductor products. The applicant may mark particular parts of the required data referred to in the application as a trade secret, in which case these parts shall not be made available to the public, except for the purposes of possible litigation. A topography application must be filed within two years from the date on which the first commercial exploitation of the topography commenced. The rights of the owner of a protected topography shall end after a 10-year period from whichever of the following occurs first:

- the end of the calendar year in which the first commercial exploitation of the topography commenced anywhere in the world; or
- the end of the calendar year in which the application for registration of the topography was filed in due form.

In order to obtain protection, an applicant must file an application containing:

- a clear and concise identification of the topography by name or specification of the product range;
- information on the applicant and its representative;
- a written statement as to the date of the first commercial exploitation, if this occurred before the filing date of the application; and
- data and supplements identifying the topography.

After examining the application, SIPO issues a decision on granting protection and the topography in question is entered in the register.

Recent changes in this area are relatively minor and

relate to the exhaustion of rights, where the concept of EU exhaustion has been implemented. However, this will enter into force only upon Croatia's accession to the European Union.

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