



RUSSIAN FEDERATION AND CIS

*Russian and Eurasian Patents, Trade and Service Marks,
Designs, Utility Models, Copyright, Domain Names,
Search, Translations, Licensing, IP Due Diligence, Litigation*

 **GORODISSKY**
& PARTNERS

50
years
1959–2009

Head office:

B. Spasskaya Str., 25, bldg 3,
Moscow, 129090, Russia.

Tel.: +7 495 937 6116/6109

Fax: +7 495 937 6104/6123

E-mail: pat@gorodissky.ru

www.gorodissky.com

Branch offices:

St. Petersburg, Ekaterinburg, Krasnodar,
N. Novgorod, Samara, Kazan, Perm (all Russia)
and Kiev (Ukraine)

Russia

Contributing firm
Gorodissky & Partners

Author
Vladimir I Biriulin
Partner



1. Legal framework

Part IV of the Civil Code of the Russian Federation entered into force on January 1 2008. It incorporates all the IP laws into a single statute. Chapter 76 of Section VII of the Civil Code contains the trademark legislation.

Russia is party to the following multilateral international agreements on intellectual property:

- the Paris Convention for the Protection of Industrial Property (Stockholm Act);
- the Madrid Agreement concerning the International Registration of Marks (Stockholm Act);
- the Protocol to the Madrid Agreement concerning the International Registration of Marks;
- the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (Geneva Act);
- the Nairobi Treaty on the Protection of the Olympic Symbol; and
- the Trademark Law Treaty.

2. Unregistered marks

No rights exist in an unregistered mark unless it is a well-known mark protected under Article 6*bis* of the Paris Convention and recognized as such according to Articles 1508 and 1509 of the Civil Code.

An unregistered mark can be protected as well known if, due to intensive use, it has become widely known in Russia among the relevant consumers with respect to the goods of the person seeking protection of the mark.

In addition, a mark used by a legal entity or an individual entrepreneur for the individualization of the enterprises can be protected as a commercial designation, provided that such a mark is sufficiently distinguishable and its use by the entity or entrepreneur is known within a certain territory.

3. Registered marks

Ownership

A legal person or an individual entrepreneur may apply for and own a mark.

A power of attorney can be presented after the trademark application is filed. Neither notarization nor legalization of a power of attorney is required.

Scope of protection

Verbal, pictorial, three-dimensional and other indications, including non-traditional marks (eg, motion, sound or olfactory marks), or a combination thereof, in any colour or colour combination, may be registered as trademarks.

The following cannot be protected as a trademark:

- indications without distinctiveness (distinctiveness acquired through use is considered);
- indications consisting only of elements:
 - generally used for the indication of certain goods;
 - which are general symbols and terms;
 - which characterize the goods (eg, their type, quality, quantity, nature, purpose, value or the time, place or means of their production or sale);
 - which are the form of goods determined by their nature or purpose; or
 - which represent national emblems, flags or other state symbols and signs, abbreviated or full names of international intergovernmental organizations, their emblems, flags, other symbols and signs, official check marks, hallmarks, seals, awards or other insignia or signs confusingly similar to them;
- indications containing elements that are false or misleading to the consumer in respect of a product or its manufacturer, or that are contrary to public interests, the principles of humanity and morality;
- indications identical or confusingly similar to official names and images of particularly valuable objects of the cultural heritage of the Russian people or of the worldwide cultural or natural heritage;
- indications identical or confusingly similar to the earlier trademarks of other persons protected in Russia or applied for registration with respect to the same or similar goods;
- indications identical or confusingly similar to appellations of origin protected in Russia with respect to any goods;

- indications identical or confusingly similar to a company name or a commercial designation (or their elements), or a name of an achievement in breeding registered in the State Register of the Protected Achievements of Breeding; and
- indications conflicting with the earlier copyrights of other persons, some earlier personal rights and the earlier rights to industrial design, compliance marks or domain names.

4. Procedures

Examination

The examination procedure includes a formal examination of the application and a substantive examination of the indication applied for registration. The formal examination is conducted within one month of filing the application. During the formal examination, the application and accompanying documents shall be checked for compliance with the statutory requirements. The applicant shall be informed of the acceptance or rejection of the application. During the substantive examination, the mark is checked for compliance with the conditions set forth in the Civil Code:

- the acceptability of the applied-for subject matter as a trademark; and
- the absence of absolute and some relative grounds for refusal of registration.

Opposition

No opposition procedure is available in Russia.

Registration

Depending on the results of the substantive examination, the Patent and Trademark Office (PTO) shall make a decision about registration of the trademark. If registration is accepted, within one month of receipt of a document certifying payment of the statutory fee the Patent Office enters the trademark in the State Register of Trademarks and Service Marks. A trademark certificate is issued within one month of the date of registration.

Removal from register

Invalidation: Protection of a trademark may be contested and held invalid:

- in full or in part for the whole term of the exclusive right to a trademark if the protection was granted in contravention of the requirements set forth in Article 1483(1) to (5),(8) or (9) of the Civil Code;
- in full or in part within five years of the date of publication of the registration in the *Official Gazette* if the protection was granted in contravention of the requirements of Articles 1483(6) and (7) of the Civil Code;
- in full within the whole term of the exclusive right to a trademark if the protection was granted to a person which is neither a legal person nor an individual entrepreneur;
- in full within the whole term of protection if the protection was granted to a trademark having later priority with respect to another person's trademark which had been recognized as well known;
- in full within the whole term of the exclusive right to a trademark if the protection was granted in a signatory state to the Paris Convention and in contravention of the requirements of the convention; or
- in full or in part during the whole term of the protection if the rights owner's actions relating to registration of the trademark have been duly recognized as an abuse of rights or unfair competition.

The grant of protection to a well-known trademark may be invalidated in full or in part during the whole term of the exclusive right to this trademark if the protection was granted unlawfully.

Termination: Trademark protection is terminated:

- upon the expiry of the 10-year term of protection (this can be extended indefinitely for further 10-year periods);
- in the case of a collective mark if a court orders the early termination of protection due to the use of the mark on goods without common qualitative or other general characteristics;
- if the PTO orders termination based on a petition by an interested person where the

trademark was not used for a continuous three-year period after registration;

- if the trademark owner ceases business through liquidation (for a legal entity) or the termination of business activity (for a natural person);
- where the trademark owner abandons its exclusive right to the trademark; or
- if the PTO orders termination based on a petition by an interested person, where the mark has become a commonly used indication for the designation of certain goods.

Timeframe

Trademark procedures take the following periods of time:

- registration – 12 to 14 months;
- renewal – two to three months;
- merger – two to three months; and
- change of name – two to three months.

Searches:

The PTO conducts the following searches:

- a search from a named earliest date;
- a similar trademark search;
- an identical trademark search, but only alongside a similar trademark search;
- a search of a single class;
- a search of all classes;
- a search including trade names and slogans (the PTO can provide searches only in its database of registered or applied trademarks);
- a search of traditional graphical marks; and
- a search of non-traditional graphical marks.

The fee for a word mark search in one class depends on the time taken:

- one day – \$1,200;
- three days – \$600;
- one week – \$300;
- two weeks – \$200; or
- one month – \$100.

Additional fees are payable for each additional class. The fee for a graphical mark search also depends on the time taken:

- one week – \$750;
- two weeks – \$500; and
- one month – \$250.

5. Enforcement

The Civil Code stipulates that the trademark owner shall have the exclusive right to use its registered or protected trademark:

- for goods, labels and packaging which are manufactured, offered for sale, sold, displayed at exhibitions and fairs or used commercially in Russia, or stored and transported or imported into Russia for this purpose;
- while performing jobs and providing services;
- on documents introducing the goods in commerce;
- while offering goods for sale; and
- on the Internet, particularly in domain names and in other forms of address.

No unauthorized person should use identical or confusingly similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. Hence, any unauthorized commercial use of a protected trademark shall be considered trademark infringement and goods, labels and packaging on which the trademark or a confusingly similar sign is unlawfully placed shall be regarded as counterfeit.

Four types of legal action may be taken against trademark infringers.

Administrative proceedings

The illegal use of a trademark entails administrative liability for the infringer. The administrative penalties for such offences are seizure of counterfeit goods and a fine. The fines imposed on individuals, legal entities and their officials are different:

- individuals – between \$50 and \$70;
- legal entities – \$105 to \$140; and
- officials – \$1,070 and \$1,430.

Any concerned person may file an application to the police to start administrative proceedings. The police then examine the application and decide whether to commence proceedings. If there is a case, the police complete a report on the administrative offence and transfer the administrative case to

the commercial court. The commercial court's decision may be appealed to a higher court.

An administrative procedure usually takes three to four months from discovery of the offence to the first court decision.

Civil proceedings

Civil proceedings begin with the trademark owner filing a claim with the court. IP disputes fall under the jurisdiction of both the common courts and commercial courts. The common court is used where at least one of the parties is an individual, whereas disputes between corporate parties and private entrepreneurs are dealt with in the commercial courts.

The trademark owner may claim the following remedies in civil proceedings:

- cessation of the authorized use of the trademark;
- reimbursement of damages;
- removal of all counterfeit goods from the market and their destruction;
- publication of the court's decision; and
- compensation of between \$370 and \$185,500.

The trademark owner shall prepare a detailed calculation of the claimed damages. The chances of success will be higher if there is documentary proof of the claimed damages.

The trademark owner may file only one out of reimbursement of damages or reimbursement of unconditional compensation. A claim for unconditional compensation is preferable where there is no documentary proof of damages.

Preliminary injunctions are available. The court may order injunctive relief preventing the defendant from performing actions related to the subject matter of the proceedings or ordering the seizure of the defendant's property. The court may order more than one type of injunctive relief at once provided that the remedies correspond to the claims.

A petition for injunctive relief shall be considered by the court on the day of filing (in the common courts) or no later than the next day after the claimant files such petition with the commercial court.

Injunctive relief may be applied for at any stage of the court proceedings if the non-application of such remedies would complicate

or make enforcement of the court ruling impossible, including when the court decision is due to be enforced abroad, or would result in significant damage to the claimant.

Prior to ordering the injunctive relief, the court may ask the claimant to provide a deposit in case of possible damages for an amount determined by the court, or to present the court with a bank guarantee, warranty or other financial security for such amount. The cross-guarantee cannot be less than 50% of the claim.

The court cannot refuse and must grant injunctive relief if the claimant posts a cross-guarantee with the court.

A civil trademark infringement case, from filing to the first-instance court judgment, takes an average of four to six months.

Criminal proceedings

The illegal use of a trademark shall entail criminal responsibility only if the infringement occurs repeatedly or causes severe damages. Damages shall be deemed severe if they exceed \$9,000.

Criminal penalties include:

- a fine of \$7,400 or the amount of the salary or other income of the convicted infringer for a period of up to 18 months;
- compulsory work for between 180 hours and 240 hours; and
- disciplinary work for up to two years.

If committed by an organized group, the same crime is punishable by imprisonment of up to six years and a fine of up to \$18,500.

The trademark owner may claim reimbursement of damages by the accused person(s).

Criminal proceedings consist of two stages: preliminary investigation and court hearings. A concerned person can file an application with the police to begin criminal proceedings, which end with the first-instance court pronouncing sentence. This may be appealed to the court of higher instance. Criminal proceedings last an average of two years.

Special administrative procedure

The illegal use of a trademark may be classed as an act of unfair competition. The Russian

Anti-monopoly Service is empowered to consider unfair competition cases in special administrative procedures. Such procedures start on the basis of an application filed by any person concerned and terminate with the decision of the Russian Anti-monopoly Service. The decision may be appealed to the commercial court.

In such proceedings the trademark owner may claim only that the actions of the infringer related to the illegal use of the trademark be recognized as acts of unfair competition and that the infringer stop these actions. If it decides in favour of the trademark owner, the Russian Anti-monopoly Service will order the infringer to cease the violations. Failure to fulfil that requirement shall entail a fine for the infringer.

Costs

The total costs of filing and trying an infringement suit comprise state fees, attorneys' fees and other expenses.

State fees shall be paid upon filing of a claim based on the amount of claim, from \$20 to \$3,000. The amount of the claim shall be determined by the claimant in accordance with the amount claimed, including corresponding penalties and interest. The state fee for an immaterial claim for recognition of right is about \$70.

The costs of proceedings may include payments to experts and other persons involved in proceedings.

Customs actions

In order to prevent import of the counterfeit goods, a trademark owner may file an application with the Russian Customs Service requesting that its trademark be entered into the Customs Register of IP Objects.

Customs pays special attention to goods carried across the border which are marked with trademarks entered on the register. If it suspects that goods are counterfeit, Customs shall suspend release of those goods and immediately inform the trademark owner or its representative. During the prescribed term, the trademark owner (or its representative) has the right to inspect the goods suspended from release and to take legal action, if necessary.

Time limits

An action based on prior rights against a trademark registered in good faith may be filed, depending on the grounds, within five years of registration or within the term of the trademark's validity. Actions against trademarks registered in bad faith may be contested and annulled during the whole term of the trademark's validity.

6. Ownership changes and rights transfers

A trademark owner can freely dispose of its exclusive right to the trademark, particularly by assignment of the trademark or a licence contract.

A transfer of the exclusive right without a contract with the trademark owner is also allowed, particularly in case of universal succession in title and a charge on the trademark owner's property.

Under an assignment, the trademark owner can assign its exclusive right to another person in respect of all or part of the goods for which it has been registered.

Some restrictions apply to assignment and licensing. In particular, assignment is not allowed where it may mislead consumers with regard to the goods or the manufacturer. In addition, assignment of a trademark that contains an appellation of origin protected in Russia is allowed only when the assignee owns an exclusive right to such an appellation. A licence in respect of a trademark that contains an appellation of origin protected in Russia shall be allowed only when a licensee has the right to use this appellation.

In case of a licence, the licensee must ensure that the goods which it manufactures and sells bearing the licensed trademark match the quality requirements prescribed by the licensor. The licensor shall have the right to control compliance with those requirements.

A licence contract shall specify the territory where use of the trademark is allowed. Where this is not specified, the licensee may use it in the whole territory of the Russian Federation. The term of a licence contract shall not exceed the term of the exclusive right to the trademark. If no term is specified in the contract, it is considered to be made for the term of five years.

For the purposes of maintaining trademark protection, the use by the licensee can be attributed to the trademark owner and considered as proper use of the trademark. Thus, in case of a cancellation action for non-use, the owner can prove use of the trademark by submitting the licence documents.

The transfer of the exclusive right to a trademark to a new owner shall not lead to modification or rescission of the licence contract concluded by the former trademark owner. Licence contracts executed before invalidation of the trademark shall be valid to the extent that they have been performed by the date of invalidation.

Assignment contracts, licence contracts and other contracts which allow use of exclusive trademark rights must be made in writing, signed by the authorized persons and sealed where possible, and are subject to registration with the PTO. Failure to comply with this provision shall lead to invalidity of the contracts. No notarization or legalization of the contracts is required.

The rules on domain name registration under the country-code top-level domain ‘.ru’ provide no dispute resolution procedure; thus, disputes between trademark owners and domain administrators shall be resolved by the courts. In case of cybersquatting, the court usually decides in favour of the earlier trademark owner.

7. Related rights

A sign, whether word, graphical, three-dimensional or any other kind, which is registered as a trademark can also be protected by other laws – for example:

- under the copyright law as an original work;
- as a registered design right if it involves the outer appearance of the goods or packaging;
- as a commercial designation if it is also used to represent the organization; or
- as a company name if the word mark is also used in the legal person’s company name.

8. Online issues

The exclusive rights of the trademark owner, including owners of well-known marks, cover the right to use the trademark in a domain name or in other online use. Thus, the owner can prevent third parties from using the mark in domain names that are identical or confusingly similar to its own trademark where such use would result in a likelihood of confusion.

Unregistered rights Protection for unregistered rights?	for well-known marks or commercial designations 
Specific/increased protection for well-known marks?	
Examination/registration Representative requires a power of attorney when filing? Legalized/notarized?	 / 
Examination for relative grounds for refusal based on earlier rights?	
Registrable unconventional marks	3-D, colours, holograms, motion marks, olfactory, sound 
Opposition Opposition procedure available? Term from publication?	
Removal from register Can a registration be removed for non-use? Term and start date?	any 3-year period of non-use after registration 
Are proceedings available to remove a mark that has become generic?	
Are proceedings available to remove a mark that was incorrectly registered?	
Enforcement Specialist IP/trademark court?	
Punitive damages available?	
Interim injunctions available? Time limit?	at any stage of the court proceedings 
Ownership changes Is registration mandatory for assignment/licensing documents?	 / 
Online issues National anti-cybersquatting provisions?	
National alternative dispute resolution policy (DRP) for local ccTLD available?	