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1 Patent Enforcement

1.1 How and before what tribunals can a patent be enforced against an infringer?

Disputes connected with the infringement of patents shall be considered by courts: the common courts; and the commercial courts. An action must be brought in the common court if at least one party in the dispute is a natural person. In case of legal entities the commercial courts have jurisdiction.

The commercial courts have four levels: the commercial courts of the constituent units of the Russian Federation (first instance); the Commercial Courts of Appeal (appeal instance); the Intellectual Property Rights Court (cassation instance); and the Supreme Court (second cassation and supervisory instance).

At first instance court, matters are heard by a single judge. Decisions of the first instance commercial courts may be appealed to the Commercial Courts of Appeal where the appeal is heard by three judges. Further, right of appeal lies with the special IP Court and the final level of appeal lies with the Supreme Court.

1.2 What are the pre-trial procedural stages and how long does it generally take for proceedings to reach trial from commencement?

The consideration procedure in the commercial court of first instance comprises four main stages. At the first stage a filed claim is considered as too formal a requirement. Said stage takes about five days. If all formal requirements are met the claim is accepted for procedure and the court passes a decision on setting the date of the meeting with the parties and the date of the preliminary court hearing.

At the second stage, when meetings with the parties and a preliminary hearing have been held, the case is prepared for a court substantive hearing. At that stage, the court clarifies the circumstances of the case, asks the parties to deliver all their arguments and provide all evidence, and decides whether additional evidence is required and whether other persons or expert opinions are required. The second stage of the court procedure takes one or two months, certainly, if no expert reports have been ordered, since preparation of such reports may take months. Also, at this stage injunctive measures can be taken. When the case is being prepared, the date of the court hearing on the merits is set.

1.3 Can a defence of patent invalidity be raised and if so how?

Patent invalidation is a separate administrative procedure handled by the Russian Patent Office. The defence of patent invalidity cannot be raised during the patent infringement case.

1.4 How is the case on each side set out pre-trial? Is any technical evidence produced and if so how?

At the preliminary hearing the judge asks the parties to present their evidence and an outline of their written legal position on the case. The judge would also usually ask the parties to prepare and provide their list of potential experts and a list of the questions for technical analysis. He may also suggest an amicable settlement of the dispute.

1.5 How are arguments and evidence presented at the trial? Can a party change its pleaded arguments before and/or at trial?

Before or during the trial the parties can provide the court with written and real evidence, explanations of the persons participating in the case, expert opinions, consultations of specialists, witness testimonies, sound recordings and videotapes, other documents and materials are also admitted as evidence. Copies of documents, submitted to the court by a person participating in the case, are forwarded to other persons participating in the case, if they do not have these documents.

The plaintiff is entitled to change the grounds or the subject matter of the claim, to increase or decrease the amount of claims during the consideration of the case by a court of the first instance and prior to the delivery of a judicial act finalising the consideration of the case on its merits.

The court may provide a term for the presentation of additional evidence if the circumstances subject to proof change due to the plaintiff changing the ground or subject matter of the claim and the defendant filing a counterclaim.

1.6 How long does the trial generally last and how long is it before a judgment is made available?

Given that a patent trial usually requires the appointment of experts, such a trial in the court of first instance may generally last for

approximately six to eight months, and the decision enters into force if no appeal is filed. The appeal may be filed within one month from the decision. The appellate proceedings may last for three to six months depending on whether a new examination is required. After the appellate proceedings, the decision enters into force. There may be a cassation appeal. This appellate proceeding may take three months and before filing this appeal the appellant may request the court to suspend enforcement of the court decision.

1.7 Are there specialist judges or hearing officers and if so do they have a technical background?

Most of the judges do not have a special technical background. It is routine and normal practice for the courts to appoint special technical examination, involving experts in the relevant field. Usually, the parties enjoy their right to submit expert candidates to court for approval. While appointing an expert, the courts evaluate their professional experience and skills. There are also cases where parties do not file motions for examination. In this situation the court renders decisions based on other documents submitted by the parties.

There is also a specialised IP Court of Russia, which handles matters pertaining to the review of decisions made by the Russian Patent Office including patent revocation cases that are first tried by the Chamber for Patent Disputes. It also determines issues of IP ownership and authorship. Some of the judges of the IP Court have both a legal and technical background. The presence of the technical background is taken into account during the appointment of the new judges.

1.8 What interest must a party have to bring (i) infringement (ii) revocation and (iii) declaratory proceedings?

The lawsuit claiming patent infringement can be filed by the patent owner or his exclusive licensee. The request for invalidation of a patent can be filed by any person.

1.9 Can a party be compelled to provide disclosure of relevant documents or materials to its adversary and if so how?

Yes, the court can oblige the party to provide any kind of evidence and disclose the necessary documents upon request of the trial participant.

1.10 Can a party be liable for infringement as a secondary (as opposed to primary) infringer? Can a party infringe by supplying part of but not all of the infringing product or process?

There is no doctrine of contributory infringement in this country. The patent owner or his exclusive licensee, however, have the right to prevent third parties not having the owner's consent from the acts that regard the treatment of patent infringement.

The treatment of patent infringement means, for example, that not only an infringement itself, but also the preparation for such infringement is actionable.

1.11 Can a party be liable for infringement of a process patent by importing the product when the process is carried on outside the jurisdiction?

Yes, if the party in question is importing into the Russian Federation, without the permission of the patent owner, a product obtained directly by the patented process, even if the process is carried on outside Russia. If it is a new product an identical product shall be considered as obtained by the patented process in the absence of contrary proof (a burden of proof is on the infringer).

1.12 Does the scope of protection of a patent claim extend to non-literal equivalents?

The principle of equivalent features is applicable to both Russian and Eurasian patents, and may be invoked where it is necessary to establish the use of an invention in a particular product or process – in particular, where this is required to prove patent infringement.

The scope of patent protection can potentially be significantly extended by the proper application of the doctrine of equivalents and by providing sound arguments and evidence supporting a proposed equivalent.

1.13 Other than lack of novelty and inventive step, what are the grounds for invalidity of a patent?

A patent may be recognised during the course of its term of validity as invalid in whole or in part in cases of:

- failure of the invention, utility model, or industrial design to correspond with the conditions of patentability (novelty, inventive step, and industrial applicability);
- failure of the materials of application submitted at the date of filing to meet the requirements of disclosure;
- presence in the claims contained in the decision on granting a patent of features that were absent on the filing date of the application in the specification;
- granting a patent in the presence of several applications for identical inventions, utility models, or industrial designs having one and the same priority date; and
- a patent may be invalidated if it is granted to e.g. the inventor (or patent holder) "X" while in reality the invention was created for (or should be owned) by "Y". This may happen if the application documents contained false information about the inventor (applicant) in case e.g. the invention was misappropriated or wrong names were indicated by mistake. The same situation occurs if the inventor (applicant) was wilfully or mistakenly omitted from the list of inventors (applicants).

1.14 Are infringement proceedings stayed pending resolution of validity in another court or the Patent Office?

It is not possible to suspend the infringement proceedings on the basis of the raised invalidation proceedings with the Patent Office.

1.15 What other grounds of defence can be raised in addition to non-infringement or invalidity?

It is possible to claim prior use of the patented object, or to claim that the actions of the party shall not be recognised as an infringement according to Article 1359 of the Russian Civil Code ("Actions that Are Not an Infringement of the Exclusive Right").

1.16 Are (i) preliminary and (ii) final injunctions available and if so on what basis in each case?

The patentee may file a preliminary injunction motion aimed at, *inter alia*, preventing the defendant from using the alleged product/process until the court's decision at any stage of proceedings.

However, in this motion the patentee should demonstrate that the court's decision will not be enforced if the motion is not granted and that the absence of the preliminary injunction would lead to substantial damage to the patentee.

Permanent injunction can be granted if the defendant's product contains every feature of the independent claim of the patent owned by the applicant. Analysis of court practice shows that in most cases the patentee claims permanent injunction only.

1.17 On what basis are damages or an account of profits estimated?

Damages means the expenses of the person whose rights have been violated, who has suffered, or will have to incur for restoration of the violated right, loss or damage to his property (actual losses), as well as income not received, which this person would have received under ordinary conditions of civil law activities, if his right had not been violated (lost profit). If a person who has violated a right received income as a result of such action, the person whose right has been violated shall have the right to demand compensation, along with damages, of lost profit in an amount not lower than such income.

1.18 What other form of relief can be obtained for patent infringement?

The patent owner has the right to demand compensation in court instead of damages from the infringer:

1) in the amount from USD 250 to USD 125,000 determined at the discretion of the court depending on the nature of the infringement; or
2) in the amount of double the licence price which is usually charged under comparable circumstances for the lawful use of a patented subject matter by the same method as used by the infringer.

Other forms of relief may be:

- permanent injunction that is granted if the defendant's product contains every feature of the independent claim of the patent owned by the applicant;
- damages if they are proven;
- seizure and destruction of the counterfeit products; and
- publication of the court decision.

1.19 Are declarations available and if so can they address (i) non-infringement and/or (ii) claim coverage over a technical standard or hypothetical activity?

This is not applicable.

1.20 After what period is a claim for patent infringement time-barred?

The term of the limitation of actions is three years. The period starts on the day when the person learned or should have learned about the violation of his right.

1.21 Is there a right of appeal from a first instance judgment and if so is it a right to contest all aspects of the judgment?

Persons participating in the case have the right to dispute in appellate proceedings a decision of a commercial court of the first instance, which has not yet entered into force. The appeal may not contain new claims, which have not been considered by the commercial court of the first instance.

1.22 What are the typical costs of proceedings to first instance judgment on (i) infringement and (ii) validity; how much of such costs are recoverable from the losing party?

The fees associated with handling patent infringement in the first instance court according to our preliminary estimation will be approximately USD 35,000.

1.23 For countries within the European Union: What steps are being taken in your country towards ratification, implementation and participation in the Unitary Patent Regulation (EU Regulation No. 1257/2012) and the Agreement on a Unified Patent Court? For other countries: Are there any mutual recognition of judgments arrangements relating to patents, whether formal or informal, that apply in your country?

This is not applicable.

2 Patent Amendment

2.1 Can a patent be amended *ex parte* after grant and if so how?

Amendment of granted patents is not provided for, but the Russian Patent Office shall rectify obvious and clerical errors therein.

2.2 Can a patent be amended in *inter partes* revocation proceedings?

Yes, if, in the course of consideration of the opposition against a patent, the Patent Office considers the independent claim invalid it may suggest the owner amend the claims to make them allowable. If the amended claims are recognised as patentable, a new Decision of Grant will be issued, the Office will publish information in its Bulletin that the opposed patent has been recognised as invalid in part and a new patent (with a new registration number) has been issued.

2.3 Are there any constraints upon the amendments that may be made?

The amendments can be made only on the basis of the claims as granted.

3 Licensing

3.1 Are there any laws which limit the terms upon which parties may agree a patent licence?

The law is quite liberal with regard to the terms of the contract.

The following information has to be included in the agreement:

1) Parties (their names and addresses).
2) The subject of the agreement. It is necessary to indicate each patent.

3) Ways of using the patent for the licensee.
4) Remuneration/royalty which the licensee agrees to pay to the licensor for the use of the patent, or the procedure for determining the compensation.
5) Type of licence (exclusive or non-exclusive). If the type of licence is not indicated, it is presumed that the licence is non-exclusive.
6) Territory: if the territory is not indicated, the agreement shall be valid in the whole territory of the Russian Federation.
7) The term during which the agreement is concluded. Such term shall not be longer than the period of validity of the patent, the rights to which are granted. It is also possible to indicate that the agreement shall be valid during the period of validity of the patent, the rights to which are granted. If the term is not indicated, it is presumed that the agreement is concluded for five years.

3.2 Can a patent be the subject of a compulsory licence and if so how are the terms settled and how common is this type of licence?

If an invention is not used or is used insufficiently by the patent owner during the course of four years from the date of the issuance of a patent, any person wishing and prepared to use this invention in case of refusal by the patent owner to conclude with this person a licence agreement on conditions corresponding to established practice shall have the right to initiate a lawsuit against the patent owner and demand granting of a compulsory non-exclusive licence on the territory of the Russian Federation.

During the existence of this provision in the Civil Code not a single compulsory licence has been granted by the RU PTO.

4 Patent Term Extension

4.1 Can the term of a patent be extended and if so (i) on what grounds and (ii) for how long?

The validity term for patents related to pharmaceuticals, pesticides or agricultural chemicals, for the use of which a special approval is required by law may be extended by a period counted from the application filing date to the date of obtaining the first authorisation excluding five years, provided that such period does not exceed five years. From January 1, 2015, the extension of a patent term for such inventions shall be accomplished by issuing a supplementary patent with the claims containing a combination of features of the patented invention characterising the product for the use of which permission has been obtained.

5 Patent Prosecution and Opposition

5.1 Are all types of subject matter patentable and if not what types are excluded?

A patent may be obtained for a technical solution related to a product (in particular, a device, a substance, a microorganism strain, or a culture of cells of plants or animals) or to a method.

Pharmaceuticals, chemical compositions and treatment of the human or animal body are patentable. Animal and plant varieties are not protectable as inventions, but they have their own protection. Not patentable are methods of human cloning and a human clone, methods of modification of genetic integrity of cells of human embryo lines, use of human embryos in manufacturing and commercial purposes, other solutions contrary to social interests, the principals of humanity and morals, discoveries, scientific theories and mathematical methods, solutions relating only to an external appearance of manufactures and directed towards the satisfaction of aesthetic requirements, rules and methods of games, intellectual or economic activity, computer programs and solutions consisting only in the presentation of information.

5.2 Is there a duty to the Patent Office to disclose prejudicial prior disclosures or documents? If so, what are the consequences of failure to comply with the duty?

In respect of the prior art disclosure, the Patent Rules prescribe that the applicant submit to the Patent Office information about prior art known to him as being relevant to the claimed invention. The Patent Office shall not need, however, to declare, or notify about the disclosure made by the inventor, the applicant, or a third party who obtained the information of the invention from them, during the grace period (within a six-month period preceding the filing date), even if such disclosure can affect patentability of the invention. The patent examiner examining patentability of the claimed invention, or a third party challenging validity of the patent, however, can refer to any discovered disclosure which, in his opinion, is an item of prior art affecting the patentability of the invention. In that case, the applicant (patent owner) will have an opportunity to present his counterarguments to such assertions, and, for example, invoke the effect of the 'grace period'.

5.3 May the grant of a patent by the Patent Office be opposed by a third party and if so when can this be done?

A patent may be opposed and invalidated, either entirely or in part by any person only after a grant at any time during its validity.

After expiry of the patent or its earlier termination, the validity of the patent, nevertheless may be contested by the interested person, e.g. the person accused of patent infringement.

5.4 Is there a right of appeal from a decision of the Patent Office and if so to whom?

The decision to refuse to grant a patent can be appealed with the Patent Office and further by submitting an appeal to the IPR Court.

5.5 How are disputes over entitlement to priority and ownership of the invention resolved?

In this country we have a first-to-file system. Hence the person who files first shall be considered to be entitled to the ownership of the invention unless the court rules that another person has the right to be granted a patent to this invention. These disputes mostly arise in respect of the employees' inventions. In those cases (under the court ruling) the Patent Office shall invalidate the patent partly and issue a new patent in the name of the true owner.

5.6 Is there a "grace period" in your country and if so how long is it?

There is a "grace period" in this country. Disclosure of information relating to an invention by the inventor, applicant or any person who has obtained this information from them directly or indirectly

is not regarded as prejudicial to the patentability of an invention if the patent application was filed at the Patent Office no later than six months after the date of disclosure. Proof of the circumstances of disclosure rests with the applicant and patent owner.

5.7 What is the term of a patent?

The general term of protection is 20 years from the filing date. The validity term for patents related to pharmaceuticals, pesticides or agrichemicals, for the use of which a special approval (so called 'marketing authorisation') is required by law, may be extended by a period counted from the application filing date to the date of obtaining the first authorisation excluding five years, provided that such period does not exceed five years.

6 Border Control Measures

6.1 Is there any mechanism for seizing or preventing the importation of infringing products and if so how quickly are such measures resolved?

The law does not allow the importing of goods into Russia whose importation could infringe IP rights of the third parties, including the rights to a patent. Once the owner of the patent becomes aware of such unlawful importation, he may initiate an administrative, civil or criminal case against the infringer(s) and seize the goods with their further destruction.

7 Antitrust Law and Inequitable Conduct

7.1 Can antitrust law be deployed to prevent relief for patent infringement being granted?

No provisions regarding the patent infringement are set by the antitrust law.

7.2 What limitations are put on patent licensing due to antitrust law?

No limitation regarding the patent licensing is provided by the antitrust law.

8 Current Developments

8.1 What have been the significant developments in relation to patents in the last year?

As from January 1, 2015 the PTE for patents related to pharmaceuticals, pesticides or agrichemicals has been provided by issuing a supplementary patent in respect of the product covered by the main patent for which marketing authorisation is granted.

8.2 Are there any significant developments expected in the next year?

From 2015 – 2016, it is expected that the Russian Patent Office will issue new (updated) examination regulations and guidelines regarding patent applications.

8.3 Are there any general practice or enforcement trends that have become apparent in Russia over the last year or so?

No, there are none.

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Olga also speaks English.

GORODISSKY

"Gorodissky & Partners", the premier intellectual property firm in Russia, was founded by patent attorneys and lawyers who began their professional careers in 1959.

Today "Gorodissky & Partners", a leading Russian IP law firm (no.1 in Russia in patents and trademarks since 1998 – MIP), provides a full range IP services, including prosecution and enforcement of IP rights. The firm is the largest IP practice in Russia and is among the top 10 in Europe.

The main office is in Moscow, branch offices include St. Petersburg, N. Novgorod, Krasnodar, Samara, Ekaterinburg, Perm, Kazan (all in Russia) and Kiev (Ukraine).

The firm has about 430 employees, including 137 patent/trademark attorneys (22 Eurasian patent attorneys among them) and lawyers work for the firm. They provide clients and associates with professional and cost-effective services in obtaining and protecting rights for inventions and utility models, trademarks, designs, plant varieties, copyright, technology transfer and licensing, IP valuation, litigation, domain names as well as due-diligence patents, searches and also in litigating IP matters. The firm is responsible for around half of the foreign patent applications and one-third of the trademark applications filed in Russia every year. Principal technical fields of Gorodissky & Partners include IT, Electronics, Mechanics, Physics, Chemistry, Biotech, Pharma, Medicine, Nanotech and others.

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