

Trademarks



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Trademarks 2016

Publisher
Gideon Robertson
gideon.roberton@lbresearch.com

Subscriptions
Sophie Pallier
subscriptions@gettingthedealthrough.com

Business development managers
Alan Lee
alan.lee@lbresearch.com

Adam Sargent
adam.sargent@lbresearch.com

Dan White
dan.white@lbresearch.com

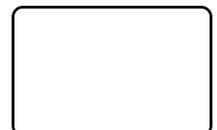


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Russia

Vladimir Trey and Evgeny Alexandrov
Gorodssiky & Partners

1 Ownership of marks

Who may apply?

The Russian Civil Code says that a trademark may belong to a legal entity or an individual entrepreneur. Thus an application may be filed only by a legal entity or an individual entrepreneur. The legislation does not foresee the possibility of applying a trademark in the name of several entities unless a collective mark is filed. Collective marks are defined as trademarks owned by an amalgamation of entities used to designate goods that are produced or sold by the members of this amalgamation, provided those goods possess common characteristics of their quality or other common characteristics.

2 Scope of trademark

What may and may not be protected and registered as a trademark?

According to the Civil Code a trademark is 'a designation serving for individualising goods of legal entities or individual entrepreneurs' (article 1477 of the Civil Code). Any protectable word, design, slogan, sound, symbol etc could serve as a trademark that identifies goods or services. The list of signs that may function as trademarks is open, which allows for registration of so-called non-traditional marks. Article 1482 of the Civil Code provides that verbal, pictorial, three-dimensional and other indications or their combinations may be registered as trademarks. A trademark may be registered in any colour or colour combination. The wording 'other indications' confirms that the law is quite liberal in this regard.

In Russia registration of marks that are lacking in distinctiveness is not allowed. In spite of the fact that the legislation lists the designations that should be recognised as lacking in distinctiveness, in some situations the criteria of distinctiveness are arguable and remain at the discretion of the trademark office. Furthermore, the Russian legislation provides for the possibility of the registration of marks based on their acquired distinctiveness.

Colour marks (either colours per se or colour combinations), sound marks, texture marks, olfactory marks, position marks, hologram marks, motion marks, taste marks etc may be registered in Russia but their inherent registrability depends on distinctiveness: either distinctive features of the mark per se or acquired distinctiveness through intensive use.

3 Common law trademarks

Can trademark rights be established without registration?

Russia is a first-to-file jurisdiction. Legal entities or entrepreneurs who first apply for registration of a trademark enjoy priority right to obtain trademark registration. Russian trademark legislation does not recognise prior use rights (as a general rule the exclusive right to use a trademark in our country arises as a result of state registration).

According to Russian legislation, rights for a trademark appear from the moment of its state registration and no rights derive from the use of an unregistered trademark. However, since January 2008, when Part IV of the Russian Civil Code came into force, a new subject matter of intellectual property appeared; namely the so-called 'commercial designation'. It is rather close to a trademark by its nature but the right for this subject matter arose based on use of the commercial designation within a particular territory without its obligatory registration before an administrative body, such as the Russian Patent and Trademark Office (RPTO).

4 Registration time frame and cost

How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Approximate time frames for trademark prosecution in Russia are as follows:

- the official filing receipt is issued within one month of the date of filing an application;
- the official action is issued within 12 to 14 months of the date of filing the application (possible examiner's objections may increase the prosecution terms to two to three years, depending on the circumstances of the case, number of appeal stages, etc);
- where the trademark is successfully registered, the registration certificate is issued within two months of the date of payment of the official fee for registration.

There are no specific additional documents that should be filed with the trademark application except power of attorney. Filing power of attorney is optional but if it is absent in the application materials, the examiner may request submission of this document and that may have a negative impact on the prosecution terms. It should be issued by the applicant and signed by the authorised person with an indication of that person's name and position in the company. The date and place of the signature should be indicated as well. Neither notarisation nor legalisation is required. The power of attorney can be submitted after filing the application.

In cases of a priority claim under the Paris Convention, it is necessary to submit a certified copy of the first (home) application. The filing particulars should correspond to those in the home application. The home application can be submitted after filing an application under the Convention, but within three months from the date of filing the Convention application with the RPTO. This term cannot be extended. Split priority is not foreseen in Russia.

The official fee for filing and examination of a trademark application (in one class) is 14,200 roubles. The official fee for filing and examining in each additional class is 2,050 roubles. The official fee for registration and issuance of the certificate is 16,200 roubles independent of the number of classes.

Foreign applicants (with some exceptions) are not allowed to file applications with the RPTO directly and must engage a registered Russian trademark attorney. Thus the total prosecution costs would depend on that attorney's fees for matters of this kind.

5 Classification system

What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

When filing an application to register a trademark it is necessary to claim for the list of goods and services for which the trademark protection is sought. The goods and services are to be identified using precise and clear-cut wordings reflecting their nature. The wordings must be classified using

the Nice Classification requirements, depending on the nature of goods and services and their purpose. Several classes can be claimed in one trademark application or additional classes added during the examination of the application. The goods applied for can be transferred to new classes provided such changes to the list and re-classification do not widen the scope of the protection that was initially requested. The official fee for an additional class increases the filing costs by 2,050 roubles. The possibility of filing multi-class applications allows filing costs to be saved.

In Russia the scope of trademark protection is defined by the trademark name itself and the list of goods and services covered by the trademark. It should be kept in mind that under the current Russian practice the class heading simply designates the fields to which the applied goods and services may relate in general and does not cover all the goods and services listed in a given class. When filing an application it is possible to claim class heading, the list of specific goods or both class heading and specific goods. The latter is a more preferable option because it allows the applicant to obtain broader protection and to seek registration for those goods that are most important.

6 Examination procedure

What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? May applicants respond to rejections by the trademark office?

The examination in Russia is composed of the formal and substantial stages. A formal examination of a trademark application is carried out within one month of the application being filed. During the formal expert examination the presence of the necessary application documents and their compliance with established requirements is verified. According to the results of the formal examination, either the application shall be accepted for consideration or a decision shall be taken to refuse to accept it for consideration.

The substantial examination stage is carried out to establish whether the claimed designation conforms to the registrability requirements. A trademark application may be rejected either on absolute or relative grounds, or both on absolute and relative grounds.

Absolute grounds are those that concern the substance of the mark itself and include: lack of distinctiveness, risk of misleading and capability of confusing, confusing similarity to or identity with state symbols and marks, reproduction of full or abbreviated names of international or inter-governmental organisations or their symbols, reproduction of the official names or images of the most valuable objects of Russia's and worldwide cultural heritage.

The relative grounds for refusal include:

- identity or similarity to the extent of confusion with prior trademarks (both registrations or applications) owned by third parties in relation to similar goods or services;
- identity or similarity to the extent of confusion with well-known marks; and
- identity or similarity to the extent of confusion with third parties' industrial designs, appellations of origin, company names, commercial designations.

A trademark may also be refused protection if it incorporates protected means of individualisation of other persons (and confusingly similar signs) as well as copyrighted objects owned by third parties, names, pseudonyms (or derivatives thereof), pictures, facsimiles of famous persons, industrial designs owned by third parties as elements of the trademark.

Before taking a decision on the results of the examination of an application, a notification of those results is sent to the applicant with a proposal to the applicant to provide arguments concerning the reasons mentioned in the notification. The applicant's arguments shall be taken into account when a decision is taken on the results of the examination if they are submitted within six months after the dispatch of the said notification to the applicant.

The substantial examination is followed by the examiner's decision, which may be in form of a registration decision in full, a registration decision for a part of the applied goods (and consequently, refusal for the rest of the goods) or a refusal decision affecting all the applied goods.

The registration decision for all the applied goods necessitates payment of the registration fee to have the mark registered. In the situation where the mark has been partially accepted for registration there are then

two options for the applicant: either to pay the registration fee to have the mark registered for the accepted goods or to appeal against this decision with the senior division of the RPTO (the Chamber of Patent Disputes). An appeal against the rejection may be filed with the RPTO within four months of the date of dispatch of the decision to the applicant. The decision that results from consideration of the appeal at the Chamber of Patent Disputes may be further disputed with the IP Court.

7 Use of a trademark and registration

Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

Unlike many other jurisdictions there is no need in Russia to file a declaration of use or intention to use along with filing an application.

Foreign registrations are not granted any right of priority over domestic applicants but applicants residing in the member states of the Paris Convention enjoy the right to file applications based on conventional priority. The priority of a trademark may be established by the filing date of the first trademark application in a member state of the Paris Convention for the Protection of Industrial Property (Convention priority) if the trademark application is filed with the RPTO within six months of the said date.

Moreover, it is possible to claim the priority of a trademark placed on exhibits of the official or officially recognised international exhibitions organised on the territory of a member state of the Paris Convention, if the trademark application is filed with the RPTO within six months after the said date.

The priority of a trademark may also be established by the date of its international registration in accordance with the international treaties of the Russian Federation.

Article 1486 of the Civil Code by its implication provides for mandatory use of a registered trademark as a condition of keeping the right for such a trademark, even though the Code does not directly point out that an owner of a trademark must use the trademark. The legal protection of a trademark may be terminated in respect of all the goods and services or part of the goods and services for which the trademark has been registered due to continuous non-use for any three years after its state registration. A lawsuit for early termination of the legal protection of a trademark due to its non-use may be filed with the IP Court by an interested person upon the expiry of the said three years.

8 Appealing a denied application

Is there an appeal process if the application is denied?

There is an administrative appeal process if an application is denied. The Civil Code foresees the possibility of appealing against a rejection with the senior division of the RPTO (the Chamber of Patent Disputes). An appeal may be filed within four months of the date of dispatch of the decision to the applicant. The RPTO's decision that results from consideration of the appeal at the Chamber of Patent Disputes may be further disputed with the IP Court.

9 Third-party opposition

Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

The recent amendments to the Civil Code provide that:

- the RPTO should publish information on the filed trademark applications;
- third persons have the right to review all trademark documents on file and not only those comprising the original trademark application's filing;

- third persons have the right to submit to the RPTO their observations against pending trademark applications before official action is taken. Such written observations may be taken into account by the examiner during the examination but this 'quasi' opposition process is not competitive.

Russian legislation foresees another instrument for raising objections against a trademark. Within five years after information on registration is published in the official bulletin of the RPTO (after a trademark is registered), the owners of the prior trademark rights have an opportunity to file an invalidation action against the trademark registration with the RPTO. In case of such an invalidation action, the trademark owner is notified accordingly and both parties are invited for consideration of the matter at the hearing. As a result of this consideration the RPTO makes a decision on the matter (either rejecting the invalidation action and leaving the trademark in force, invalidating the mark in full or invalidating the mark partially).

An invalidation action or a cancellation action against a trademark registration on other grounds foreseen by the legislation may be filed during the entire term of trademark validity.

10 Duration and maintenance of registration

How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A trademark registration remains in force for 10 years from the date of filing the trademark application. It may be renewed every 10 years without any limitations on the number of renewals. No evidence of use is required for maintenance of a trademark registration.

11 The benefits of registration

What are the benefits of registration?

As Russia is a first-to-register jurisdiction, trademark registration is of the utmost importance for its owner and provides the registrant with the ability of trademark enforcement. In addition, trademark registration makes it possible to record the same in the IP Customs Register, thus preventing unauthorised import of the branded goods into Russia.

12 Licences

May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

Under Russian law the granting of the right to use a trademark under the licence agreement must be recorded at the RPTO. Without such registration the licence is not considered granted and the parties cannot refer to the licence in relations with third parties.

13 Assignment

What can be assigned?

The trademark can be assigned with respect to all or some of the goods and services for which it has been registered. Partial assignment is allowed provided it will not lead to misunderstanding (it is not possible to assign a trademark for some of the goods or services while similar goods or services remain owned by the assignor). No assignment of goodwill or other business agreements are required to make the assignment transaction valid.

14 Assignment documentation

What documents are required for assignment and what form must they take?

In order to register an assignment the following documents are generally required:

- the original assignment deed, or notarised excerpt therefrom, containing all essential elements set out by Russian law;
- the Russian translation of the agreement or excerpt, if these documents are not bilingual; and
- the power of attorney from either of the contractual parties (notarisation or legalisation is not necessary).

Importantly, instead of the above-referenced documents (agreement or excerpt), it is possible to submit the 'notification' form (that is, the statement of licence or pledge) that must be signed by the parties as a separate document containing the following information:

- type of deed (assignment);
- parties (assignor and assignee); and
- subject of the assignment with indication of number of the trademark certificate.

No financial or other sensitive confidential contractual data must be disclosed.

15 Validity of assignment

Must the assignment be recorded for purposes of its validity?

The assignment must be recorded at the RPTO to be valid in Russia.

16 Security interests

Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

The security interests are recognised in Russia and shall be enforceable subject to their being recorded at the RPTO. No notarisation is required for the purpose of the record and simple signing by the authorised representatives of the parties (such as the CEO) is sufficient.

17 Markings

What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Under article 1485 of the Russian Civil Code the trademark owner, for giving notice of his or her exclusive right to a trademark, shall have the right to use the symbol of protection, which shall be placed alongside the trademark and consist of the Latin letter 'R', or the Latin letter R in a circle [®], or the verbal indication 'trademark' or 'registered trademark', and which shall indicate that the sign used is the registered trademark protected on the territory of the Russian Federation.

Hence, the owner of a trademark is allowed to use the trademark precautionary marking. But the trademark owner is not restricted from omitting such marking. Should the owner be interested in notifying the public that his or her sign is registered as the trademark he or she may use the symbol stated above. Note that Russian legislation does not include the use of [™].

18 Trademark enforcement proceedings

What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The measures listed below are those that can be undertaken against an alleged infringer in Russian law:

Sending a cease and desist letter. Enforcement of rights by a rights holder usually begins with the sending of a cease and desist letter to the alleged infringer. This remedy is optional.

A civil route of action is the most commonly used option by rights holders since it allows them to claim the following, but it usually takes four to six months to obtain a decision in the first instance:

- cessation of trademark infringement;
- recovery of losses (damages) or payment of a statutory compensation;
- publication of the court's decision with the aim of restoring goodwill of the injured party; or
- removal from the goods or packaging of the illegally used trademark or sign confusingly similar to it, or destruction of the counterfeited goods, labels, packages at the expense of an infringer.

Criminal proceedings: in accordance with the Criminal Code, the illegal use of a trademark shall entail criminal liability for the infringer only if it was committed repeatedly or caused damage in excess of 250,000 roubles. The total duration of criminal proceedings is usually about one to two years.

Administrative proceedings: these start from the filing of a petition with the police. Based on the petition the police conduct a raid on the infringer's premises (offices, warehouses, shops) and seize all the counterfeit goods discovered therein. As soon as the police have all the evidence of the infringement they issue an administrative violation report and send all the materials of the case to the court. There a final decision is made, according to which the court may refuse to satisfy the application of the police or bring the infringer to the administrative responsibility that includes imposing a fine and confiscating all the seized goods for their subsequent destruction. Usually this procedure takes three to four months.

Special administrative procedure: trademark infringement is one of the cases of unfair competition. The Russian Antimonopoly Service (RAS) is empowered to consider disputes related to unfair competition through a special administrative procedure. This procedure starts on the basis of an application filed by the trademark holder and terminates with the decision taken by the RAS. The latter may be appealed with the commercial court. The procedure lasts about four to six months.

Border protection: a trademark can be recorded in the special IP Customs Register to prevent unauthorised importation of the branded goods into Russia. Where the trademarks are entered into the Customs Register the customs authorities monitor every consignment of the goods marked with the trademarks in question and if they discover unauthorised importation they detain the goods (the term for detaining is 10+10 days) and inform the rights holder. Upon examination, in a case of counterfeit goods the rights holder may, within the term of detention (20 days) initiate administrative, civil or criminal proceedings in order to bring the infringer to responsibility. Including the trademarks in the Russian Customs Register may be a wise precautionary measure to avoid penetration of counterfeit products into Russia.

19 Procedural format and timing

What is the format of the infringement proceeding?

The civil infringement proceedings start from collecting evidence by the rights holder, drafting and then filing a lawsuit with a court. No discovery proceedings are provided by Russian law. The decision on the case is issued by a court on the basis of evidence submitted by the parties. In cases where issues require special knowledge an independent expert may be ordered by the court. Live testimony is allowed but not commonly used as the judges prefer to rely on material evidence and written submissions. The civil proceedings typically take four to six months to obtain a decision from the initial court.

Russian law also provides an administrative and criminal enforcement mechanism that starts from filing a complaint with the police (or public prosecutor). During the proceedings an independent expert may be called by the police investigator. The final decision on the administrative or criminal case is issued by a court. The administrative procedure usually takes about three to four months, whereas criminal procedure is about one to two years.

20 Burden of proof

What is the burden of proof to establish infringement or dilution?

Under Russian law each party to the dispute must prove their statements and legal arguments by the use of relevant evidence.

21 Standing

Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner or his or her registered exclusive licensee shall be entitled to sue for the trademark infringement only. Administrative or criminal proceedings may be initiated on the basis of a complaint filed by any person or on the basis of information received by the police (or public prosecutor) themselves. In such cases the trademark owner can be involved as an injured party.

22 Foreign activities

Can activities that take place outside the country of registration support a charge of infringement or dilution?

Russian law enforcement authorities can deal with infringements committed within the territory of the Russian Federation only. However, the existing border protection mechanisms, such as the IP Customs Register, allow for prevention of the unauthorised importation of goods into Russia. Note that there is also the Eurasian Economic Union between Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan within which no customs borders exist and the goods may flow from one country of the Union to another without customs control. With this in mind, registration (obtaining a legal protection) of the trademark and its recording in the local IP Customs Registers is advisable.

23 Discovery

What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Russian law does not provide discovery proceedings and the parties to the dispute should collect evidence themselves. In the meantime, a person participating in the case and lacking the opportunity to obtain the necessary evidence from the person possessing it may file a motion for the court to order the presentation of this evidence. The evidence must be specified in the motion along with the circumstances significant to the case, which may be established by this evidence, as well as the reasons impeding the obtainment of this evidence, and its location. If the motion is satisfied, the court orders the person possessing the appropriate evidence to present it.

24 Timing

What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Russian law provides for two types of security measures: preliminary and interim. The motion for preliminary injunctions can be filed before filing the lawsuit. In this case the judge must consider the motion and if the security measures are granted, gives to a plaintiff a term not exceeding 15 days for filing the lawsuit. The motion for interim injunctions can be filed along with the lawsuit or at any stage of the court proceedings before the judgement is issued. The motion for security measures must be considered by the court no later than the next day from the filing date.

The typical time frame for a civil litigation is four to six months to have the decision of the first instance court issued. The decision enters into force in a month if no appeal is filed. The resolution of the Court of Appeals enters into force as of the date it is issued in writing and may be appealed to the Intellectual Property Rights (IPR) Court within two months. The resolution of the IPR Court can be appealed to the Economic Collegium of the Supreme Court within two months and its judicial act can be further appealed within three months. The last instance is the Presidium of the Supreme Court.

25 Litigation costs

What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The typical range for handling a trademark infringement case in the first instance court is about US\$20,000–25,000. This amount may vary, however, depending on the complexity of the case. The costs for handling the case at the appeal instances could be within the range of US\$7,000–15,000 per appeal instance.

26 Appeals

What avenues of appeal are available?

The decision of the first instance court can be appealed to the Court of Appeals. The resolution of the Court of Appeals can be appealed to the IPR Court. The resolution of the IPR Court can be appealed to the Economic Collegium of the Supreme Court of the Russian Federation. The resolution of the Economic Collegium of the Supreme Court of the Russian

Federation can be appealed to the Presidium of the Supreme Court of the Russian Federation.

27 Defences

What defences are available to a charge of infringement or dilution, or any related action?

The defendant may try to prove the absence of the infringement (such as challenging the evidence) or initiate an invalidation action against the trademark. Note, however, that an invalidation action is considered by the administrative authority (the RPTO) and this is not grounds for the court to postpone or suspend the infringement proceedings. Both trademark infringement litigation and invalidation cases will be independent from each other. Also, the defendant may initiate an unfair competition action claiming that obtaining a trademark registration and suing for an infringement are acts of unfair competition (such as in the case of a trademark being registered by a distributor or other third party preventing the producer of genuine goods from distributing the goods on the Russian market). Finally, the defendant may claim the abuse of rights from the side of the trademark owner, which is legal ground for the court to dismiss the infringement action (such as in cases where the trademark owner does not use the trademark and the only purpose of filing the lawsuit is to inflict harm on the competitor).

Of course, the defendant can also file a non-use cancellation action with the IPR Court. However, in cases of cancellation of the trademark the legal protection shall be terminated from the date that the decision enters into force and shall not release the defendant from monetary claims (damages or statutory compensation).

28 Remedies

What remedies are available to a successful party in an action for infringement or dilution, etc?

Russian law provides for two types of security measure: preliminary and interim. The motion for preliminary injunctions can be filed before filing the lawsuit. In this case the judge must consider the motion and if granting the security measures must give to the plaintiff a term not exceeding 15 days for filing the lawsuit. The motion for interim injunctions can be filed along with the lawsuit or at any stage of the court proceedings before the judgement is issued. The motion for security measures must be considered by a court no later than the next day from the filing date.

The court grants the security measures if the following conditions are observed:

- if failure to take these measures may impede or make the enforcement of a judicial act impossible, and likewise if the enforcement of a judicial act is expected to take place outside of the Russian Federation;
- the security measures are required for the purpose of preventing the infliction of extensive damages to the applicant;
- the claims for security measures do not repeat the claims stated in the lawsuit; or
- the claims for security measures are adequate to the claims stated in the lawsuit.

According to Russian law the trademark owner shall be entitled to claim:

- cessation of trademark infringement (permanent injunction);
- recovery of losses (damages) or payment of statutory compensation: within the range of 10,000 to 5 million roubles (determined by the court on the basis of evidence provided and circumstances of the case), or double the cost of counterfeit goods, or double the cost of a licence (royalties);
- publication of the court's decision with the aim of restoring goodwill of the injured party;
- removal from the goods or their packages of the illegally used trademark or sign confusingly similar to it, or destruction of the counterfeited goods, labels, packages at the expense of an infringer.

Criminal liability

In the case of illegal use of a trademark or service mark, name of the place of origin of goods, or similar designations for homogeneous goods, if this deed has been committed repeatedly or has caused substantial damage it shall be punishable by:

- a fine of 100,000–300,000 roubles, or the amount of the wage or salary, or any other income of the convicted person for up to two years;

- compulsory works for up to 480 hours;
- corrective labour work for up to two years;
- imprisonment for up to two years with a fine of up to 180,000 roubles; or
- a fine in the amount of a wage, salary or other income of the convicted person for up to six months.

The actions specified above, committed by a group of persons by previous concert or by an organised group shall be punishable by:

- a fine of 500,000 to 1 million roubles or the amount of the wage, salary or other income of the convicted person for three to five years;
- compulsory labour work for up to five years; or
- imprisonment for up to six years with a fine of up to 500,000 roubles or a fine in the amount of a wage, salary or other income of the convicted person for up to three years or without a fine.

29 ADR

Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

In essence commercial disputes are considered by state courts. However, Russian law provides a possibility to entrust the resolution of a dispute to a private arbitration tribunal or mediator if both parties agree to this. While the Law on Arbitration Courts in the Russian Federation regulates respective procedures and is indeed a good alternative to the state court, the main idea of the Law on Alternative Dispute Resolution with the Participation of an Intermediary (Mediation) is to keep people out of the courts and help them to solve the dispute without litigation. If the mediator fails to help the parties to find a solution the dispute may be solved by a state court or an arbitration tribunal. The decisions of both state courts and arbitration tribunals are obligatory for the parties and must be enforced. Where the party fails to enforce the decision the other party in whose favour the decision is issued shall be entitled to file an application with the Bailiff Service to force the enforcement of the judicial act.

30 Famous foreign trademarks

Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

In Russia a trademark can enjoy protection as a well-known mark that may not necessarily be a registered designation. Russian legislation foresees the procedure of recognition of a well-known trademark.

As well as the usual trademark filing procedures through the RPTO or through the Madrid Agreement/Protocol registration, legal protection for a well-known trademark can also be obtained through a special recognition procedure. In Russia, unlike in many other countries, a trademark is not granted well-known status as a result of court proceedings or litigation. According to Russian trademark legislation, in order for a trademark to be recognised as well known, the appropriate request should be filed with the RPTO.

A well-known trademark shall be granted the same legal protection as is provided for an ordinary trademark. Nonetheless, a well-known trademark provides its owner with certain important advantages:

- the legal protection of a well-known trademark is not time-limited;
- protection extends to goods or services of a different kind from those for which it is recognised as well-known, if use of the mark by another person is likely to be associated by consumers with the owner of the well-known trademark and may impair its lawful interests;
- protection of a well-known mark may start at the period that predates the filing date of the respective request to recognise the trademark as well-known; and
- the commercial value of a well-known trademark is higher than that of an ordinary trademark.

The well-known status should be evidenced by numerous documents and materials confirming the intensive use of the mark and its reputation among consumers in association with the goods or services for which it is requested to be recognised as well known, and in association with the trademark owner. In seeking to have its trademark recognised as well known, the applicant should indicate the goods or services for which the

Update and trends

As of 5 January 2016 the amendments to the Law on Protection of Competition (fourth round of amendments) shall enter into force. Those amendments, inter alia, regulate in detail unfair competition issues totally replacing the existing provisions. For example, the new chapter will consist of eight articles that specify different types of unfair competition, namely: discredit; misrepresentation; incorrect comparison; misuse and the acquisition of intellectual property; mixing of products on the market; illegal acquisition, use and disclosure of information that constitutes commercial or other secret protected by law. The list of unfair competition is not exhaustive.

Also, on 23 September 2015 the Supreme Court of the Russian Federation issued a review of court practice on the cases on protection of IP rights. In this review the Supreme Court summarised the main issues that arise in courts during consideration IP cases. However, points of the review show that in some issues the Supreme Court suggested a new approach, for instance:

- illegal use of several different trademarks on the same product shall constitute an infringement of each trademark;

- illegal use of several trademarks with the same or similar element (group of trademarks) on the same product shall constitute a single infringement;
- in non-use cancellation actions only the actions connected with the actual introduction of the goods into the civil turnover can be taken into account;
- in non-use cancellation actions the trademark owner must prove the use of the trademark with respect to each of the goods and services for which the trademark has been registered. The use of the trademark with respect to similar goods shall not be considered as sufficient proof of the use; and
- in non-use cancellation actions the plaintiff must prove his or her legitimate interest in termination of the trademark protection. In this case evidence of his or her interest with respect to similar goods or services can be taken into account.

mark has become well known, and the date from which the trademark became well known.

Along with a petition for the recognition of a well-known trademark the following information may be submitted:

- the results of a consumer survey regarding the goods at issue, revealing consumer knowledge of the trademark and performed by a specialist organisation;
- examples of intensive use of the trademark, especially in Russia;
- a list of countries where the trademark has acquired a well-known reputation;
- examples of advertising costs incurred relating to the trademark and examples of advertising;
- details of the value of the trademark;
- publications in Russian periodicals; and
- documents containing information about supplies of goods to Russia etc.

It is not compulsory to submit all of the above-listed evidence. Trademark legislation does not contain a list of obligatory documents that must be submitted along with a petition for the recognition of a trademark as well known.

Practice shows that it is recommended that evidence of use of the trademark in Russia be submitted in support of the petition recognising a

trademark as well known. Special attention should be paid to the opinion poll results. Such polls must be carried out in at least six of Russia's largest cities, including Moscow and St Petersburg. Other cities may be chosen by the applicant, depending on the sphere of activity and the regions of trademark use.

Determining the date from when the trademark became well known is also crucial, and careful review of all available materials is required. The date from which the trademark became well known should be indicated precisely.

The RPTO takes a strict approach towards petitions to recognise marks as well known and these are denied quite often. The main difficulty encountered during proceedings is demonstrating that consumers have a strong association between the trademark and the goods or services for which the trademark is used, and with the trademark owner. Often consumers recognise the trademark, but have little knowledge about its owner. Formally a trademark may belong to an IP-rights holding company, the name of which is not known to consumers. Furthermore, if the date from which the applicant would like to have its trademark recognised as well known refers to a period in the past, the supporting evidence should predate the date mentioned in the request.

As of December 2015 there are 159 published well-known trademarks in Russia, including Nike, Coca-Cola, Disney, Tiffany, Intel, Gallup Institute, Adidas, Gillette, Nikon, Elle, Heinz and Casio.

GORODISSKY

Vladimir Trey
Evgeny Alexandrov

treyv@gorodissky.ru
alexandrove@gorodissky.ru

Bolshaya Spasskaya str., 25 bldg. 3
129090 Moscow
Russia

Tel: +7 495 937 61 16
Fax: +7 495 937 61 04
www.gorodissky.com

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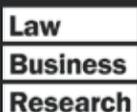
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