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Merry Christmas and Happy New Year!

COVID-19 AND NEW LEGAL CHALLENGES FOR PHARMA MARKET

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This year events relating to global pandemics of COVID-19 for sure had impact on various issues of human civilization. Intellectual property specifics in the life sciences industry is not an exception. In this article we will cover some new trends emerging as result of COVID-19 emergence within the context of Russia, reflecting various issues caused by COVID-19.

ONLINE SALES OF MEDICINES AND TRADEMARK PROTECTION

Initially on March 2020, the Russian President allowed on-line sales of over-the-counter medicines.

Drugstores required state permits (licenses) to be engaged in such sales. As such, the Presidential decree provided that the Russian Government should strengthen control over compliance with the requirements of the legislation of the Russian Federation in the sphere of circulation of medicines, including retail trade in medicines carried out remotely, including the requirements to prevent the circulation of falsified, counterfeit, substandard and unregistered medicines, and, if necessary, submit proposals for amendments to the legislation of the Russian Federation aimed at increasing the responsibility of pharmacy organizations in the implementation of on-line retails sale of medicines.

Subsequently, on April 2020 as result of the legislative developments, the Russian President signed Federal law No. 105-FZ “On amending article 15.1 of the Federal law of information, information technologies and protection of information and the Federal law on medicines circulation”.

The suggested amendments allowed retail sale of medicines by pharmacies with the exception of:

- prescription medicinal products,
- narcotic medicinal products and psychotropic medicinal products,
- as well as alcohol-containing medicinal products with a volume fraction of ethyl alcohol greater than 25 percent.

The amendments provided for the necessity of pharmacies to have state permits for pharmaceutical activities and the corresponding permission of the state regulator obtained within the special procedure. In terms of enforcement, the amendments provided blocking of the web-sites that infringe the established requirements – e.g. offer for sales medicines which are not subject to online retail trade or offers by entities that do not have state permits. Given that fal-

sified or counterfeit medicines are not subject to online retail trade as such, the blocking mechanism shall provide more strength in the enforcement against unauthorized use of trademarks and related IP assets in the on-line sales of medicines. Nevertheless, in case of unauthorized use of trademarks and other IP in course of on-line sales of medicines brand owners in Russia shall not forget about already existing mechanisms of on-line enforcement. The first and so-called traditional enforcement route to fight online IP infringement is civil actions to be taken with the court. The recent practice shows that even simple screen-shots and not the notarized ones should normally be accepted by courts as a proper evidence to confirm the infringement. The law allows struggling against both the principal infringers – i.e. the ones that selling counterfeit on-line, and other participants who assist or make the IP infringement possible. Those other participants could be the owners of the domain name, holders of the website and hosting providers. Depending on the scope of the involvement and the role they play, different remedies and enforcement tools can be applied. Monetary compensation and injunctive reliefs are both possible to claim within the course of a civil action.

Another on-line enforcement option is applying to the registrar of the domain names. If the domain is not duly verified and the holder of the domain name fails to provide the information upon verification request of the domain name shall be undelegated and therefore access to the infringing website shall be terminated.

And, quite a new and not that common legal route to fight on-line IP infringement is prosecutors actions. If the website selling counterfeits the right holder may file a petition with the prosecutor’s office. The actions ends with court decision to block all the website or certain pages only.

ADVERTISING LAW CHALLENGES

As such, Federal Law of 13.03.2006 No. 38-FZ “On advertising” sets both the

general and specific requirements relating to advertising of medicines. In particular, such advertising shall be fair, true with regard to the consumer features of the advertised medicine.

Furthermore, advertising about the properties and characteristics, including methods of application and use, of medicines is allowed only within the limits of the indications contained in the instructions for the use (package inserts).

The emergence of COVID-19 and subsequent references to COVID-19 related issues in advertising resulted in concerns from the Federal anti-trust authority (FAS), that acts as the regulator for advertising in Russia. For instance, in February 2020, FAS officials announced it will combat against use of promises to treat COVID-19 in the advertising of medical services¹. On April 2020, FAS launched several cases against veterinary clinics that offered services on diagnosis, vaccination and treatment of COVID-19 for cats and dogs².

In its statement, FAS noted that in Russia at that time there were veterinary drugs registered for the prevention of immunization against coronavirus infection only for cattle. Thus, as FAS noted, there was no registered system for diagnosing, vaccinating and treating coronavirus for domestic animals, including cats and dogs, in Russia. Therefore, FAS considered that there are potential breaches in advertising of such services.

With regard to pharmaceutical advertising specifically, of interest is the recent case № 08/05/24-10/2020³ where FAS held invalid to use indication that the specific medicine may be applied against COVID-19. The advertising disseminated via radio indicated that:

- increasing number of cases of new coronavirus that causes dangerous pneumonia;
- transmittance of the virus from person to person;
- high risk of infection;
- reference to studies showing that the advertised medicine is active even against coronavirus;
- the advertised medicine is a broad-spectrum antiviral agent for the protection of children and adults;
- warning with regard to contraindications and the indication of the necessity to have advice from medical professional.

FAS analyzed the instruction for use of the advertised medicine and cited

1 — <https://fas.gov.ru/publications/20298>; 2 — <https://fas.gov.ru/publications/20720>

3 — <https://br.fas.gov.ru/ca/upravlenie-kontrolya-reklamy-i-nedobrosovestnoy-konkurentsii/f3827228-00cb-4818-8ad8-1222dbef5886/>

that the drug is an antiviral agent that specifically suppresses in vitro influenza A and B viruses (Influenzavirus A, B), including highly pathogenic subtypes A (H1N1)pdm09 and B (H5N1), as well as other viruses that cause acute respiratory viral infections (ARVI) (Coronavirus associated with severe acute respiratory syndrome (SARS)). While the indications for use of the advertised drug were: prevention and treatment in adults and children: influenza A and B, other ARVI; complex therapy of recurrent herpetic infection; prevention of postoperative infectious complications; complex therapy of acute intestinal infections of rotavirus etiology in children older than 6 years.

During consideration of the case FAS sent a request to the Ministry of health (MOH). According to the MOH response, the instructions for medical use of the advertised drug in the sections "Indications for use" and "Method of use" do not contain information about an infectious disease caused by coronavirus 2019-nCoV and that was no pending amendments before the MOH institutions to expand the regulatory documentation for the advertised medicine. In this regard, FAS considered that the advertising reports about the properties and characteristics of advertised drug outside / beyond the scope of the information contained in the duly approved instructions for use of the drug. In this regard, FAS concluded that at the time of dissemination of the advertising message at issue, the advertising message contained the information on effect of the advertised drug against the new coronavirus that went beyond the indications specified in the instructions for use of this drug, and before making the appropriate additions to the instructions – thus such reference to the effect was premature. FAS also referred to the Advertising Law provision according to which it is forbidden to refer to untrue information on the results of trials. The MA holder of the advertised medicine provided evidence that the Chinese scientists conducted in vitro studies of the activity of a number of drugs in relation to the new coronavirus, including the advertised drug. Considering the results of these studies, the advertised drug was included by the State Committee of China for health in treatment recommendations with regard to COVID-2019 in China ("the Program of diagnostics and treatment of pneumonia caused by a novel coronavirus 2019-nCoV" that published on the website

of the National Commission of health of the PRC).

Under those circumstances, FAS considered that was no breach of the Advertising Law provision with regard to the requirement of true information on trial results. While for the breach of the Advertising Law requirement to adhere to the scope of the information of the instructions for use, FAS upheld its conclusion on the breach of Advertising Law.

The case demonstrates attention by FAS with regard to use of references to treatment of COVID-19 in the advertising materials.

ON-GOING NECESSITY OF IP PROTECTION AND FIGHT AGAINST IMITATIONS

Indeed, COVID-19 and other viruses stimulate pharmaceutical companies in research, development and production activities. Consequently, newborn medicine requires proper IP protection to be successive and competitive on the market. Getting a patent for a new pharmaceutical product and having trademark protection significantly helps to be exclusive, promote the product and fight imitations.

The imitation issue keeps being a serious concern, especially for manufacturers of the popular medicines. Manufacturers of Dietary Supplements (or BADS – Biologically Active Dietary Supplement) often pretend to have some treatment effect. At the same time, the law and practice clearly says that BADS shall not, in any manner, be perceived as a remedy having medical treatment. This is a key difference between BADS and medicine product.

Despite those imperatives, FAS has initiated a number of cases where BADS were advertised as a remedy having medical effect. In the recent years, however, the situation has become better because both the advertiser and the advertising distributor should be liable for dissemination of that kind of advertising.

Another sign of imitation issue is that BADS using similar names as medicines have. Normally, those cases is considered from unfair competition perspective, because consumers can easily be misled when face BADS with the name and design similar to the medicines. In the recent years, FAS has revealed and terminated a number of such cases where manufacturers of BADS copied the names of popular medicines and tried to exploit the fame and good reputation of the those medical products. Moreover, the authorities keeps working on the origin of this problem. The draft regulation aimed at monitoring and prohibiting the registration of BADS with the names similar to the medicines is considered and hopefully will be adopted soon.

CONCLUSION

COVID-19, as force-majeure event, showed that nowadays the market and legal context is changing very fast. The legislative, law-enforcement and other authorities have been effectively monitoring the situation, adopting new regulations and taking appropriate actions to keep the market landscape safe and steady. Pharmaceutical companies, IP holders and other key players are definitely an important part of this process and thus they can effectively participate in and mitigate concerns brought by COVID-19.

QUARTERLY REVIEW OF NEWS IN LEGISLATION, COURT PRACTICE, AND ROSPATENT'S PRACTICE RELATED TO INTELLECTUAL PROPERTY

(APRIL TO JUNE 2020)

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LAWS AND DRAFT LAWS

MEASURES AIMED AT SUPPORTING PEOPLE AND ENSURING SUSTAINABILITY OF THE RUSSIAN ECONOMY

On 8 June 2020, Federal Law No. 166-FZ dated 08 June 2020 "On Amending Legislative Acts

of the Russian Federation aimed at Taking Urgent Measures to Ensure Sustainable Economic Development and Preventing Consequences of the Spread of the New Coronavirus Infection" was published and entered into force. Article 23 of the law allows the Government to extend the time limit for the applicant, right holder, and other persons to take actions, including those related to payment of patent and other fees required for Rospatent to take legally

binding actions provided for by Clause 3 of Article 1246 of the Civil Code and related to legal protection of results of intellectual property and means of individualization.

OUTSOURCING PATENT SEARCH AND PATENT EXAMINATION, AND STARTING POINT OF A TIME LIMIT FOR REQUEST FOR EXAMINATION

On 10 June 2020, the State Duma passed in the first reading a federal draft law On Amendments to the Civil Code (No. 873108-7).

The draft stipulates creation of conditions for preliminary information search and evaluation of patentability of a claimed technical solution by the Russian scientific and educational organizations accredited by Rospatent. This service will be offered to applicants at their discretion. The cost of the service will be determined by the organizations in their agreements with the applicants. The draft law also stipulates that in case of an international application, a three-year time limit for submitting a request for substantive examination of the application counts from the date of entry of the international application into the national phase at Rospatent or, with regard to an Eurasian application, from the date of transformation of the Eurasian application into Russian national application. Currently, the law stipulates the date of international submitting and the date of submitting the Eurasian application, accordingly, as a starting point of the three-year time limit.

GOVERNMENT ENACTMENTS AND DEPARTMENTAL ENACTMENTS

THE GOVERNMENT ALLOWED APPLICANTS, RIGHT HOLDERS, AND THIRD PARTIES TO EXTEND A TIME LIMIT RELATED TO LEGAL PROTECTION OF RESULTS OF INTELLECTUAL ACTIVITY AND MEANS OF INDIVIDUALIZATION

On 22 June 2020, Decree of the Government No. 893 aimed at creating more favourable conditions for interactions with Rospatent during the spread of the coronavirus infection, entered into force.

In accordance with the adopted decree, if the end of the time limit for the applicant, right holder, or any other person to take any actions before Rospatent (to submit various documents, additional materials to applications, requests, applications, objections, etc.) falls on the period from 30 March to 30 November 2020, this time limit may be extended until 31 December 2020 upon request of these persons. The possibility to extend the time limit is stipulated, among other things, for actions related to payment of patent fees.

A request for an extension of the time limit may be filed within one month from the end of the time limit to be extended or from the effective date of the adopted decree, whichever is later. No fee is stipulated for submitting such a request.

DUE TO ENTRY INTO FORCE OF THE LAW INTRODUCING PROTECTION OF GEOGRAPHICAL INDICATIONS, THE GOVERNMENT ENACTED DECREE NO. 822 DATED 4 JUNE 2020, AMENDING THE REGULATIONS ON PATENT AND OTHER FEES

Thereby, the following fees were set: for filing of an application for a geographical indication (2,700 rubles) and its examination (10,800 rubles); for registration of a geographical indication or right to use the same (16,000 rubles); for issue of a certificate of a right to use the registered geographical indication (2,000 rubles); for transformation of an application for an appellation of origin into an application for a geographical indication and vice versa (3,000 rubles) or for transformation of an appellation of origin into a geographical indication and vice versa (9,000 rubles); for an extension of the validity period of the right to use a geographical indication for 10 years (20,000 rubles); for consideration of an objection to a decision refusing to register a geographical indication (9,000 rubles) or an objection to registration and (or) granting of the right to use the registered geographical indication (14,000 rubles); for consideration of an application for deregistration of the geographical indication and (or) the validity of the right to use the same (8,000 rubles), etc.

INTERNATIONAL TREATIES OF THE RUSSIAN FEDERATION

On 19 May Azerbaijan and on 20 May Armenia ratified the Protocol on Protection of Industrial Designs to the Eurasian Patent Convention adopted on 9 September 2019 at a diplomatic conference in Nur-Sultan, Republic of Kazakhstan.

The Russian Federation is among the countries that signed the Protocol.

The Protocol will enter into force for the first three states that ratified it or acceded to it three months after the third state deposits an instrument of ratification or an instrument of accession to the depository, being the Director General of the World Intellectual Property Organization.

COURT PRACTICE

1. COPYRIGHT LAW

WHEN LODGING A CLAIM FOR RECOVERY OF COMPENSATION FOR THE INFRINGEMENT OF THE EXCLUSIVE RIGHT, IT IS THE CLAIMANT WHO SHOULD STATE THE RIGHT TO WHICH INTELLECTUAL PROPERTY SUBJECT MATTER HE CONSIDERS AS INFRINGED. THE COMPETENCE OF THE COURT CONSIDERING THE CASE INCLUDES DETERMINATION WHETHER THIS RIGHT BELONGS TO THE CLAIMANT

AND WHETHER IT WAS INFRINGED BY THE DEFENDANT (CONSTITUTIONAL COURT, RULING NO. 1345-O DATED 18 JUNE 2020)

The 15th Commercial Court of Appeal suspended the proceedings on case A32-48015/2018 due to submission of a request to the Constitutional Court under Article 125 (Part 4) of the Constitution.

At the same time, the 15th Commercial Court of Appeal challenges the constitutional nature of the following provisions of the Civil Code:

- Clause 1 of Article 1259 setting forth, in particular, that copyright-protected subject matters are scientific, literary, and artistic works, regardless of the merits and purpose of the works as well as its style, including audiovisual works, paintings, sculptures, graphic works, design works, graphic stories, comic books, and any other works of visual arts;
- Clause 7 of the same Article, in accordance with which the copyright covers part of the work, its title, or character, if, by their nature, they may be recognized as an independent result of the author's creative work and meet the requirements provided for by Clause 3 of that Article;
- Clause 1263 on audiovisual work.

As stated by the 15th Commercial Court of Appeal, Clauses 1 and 7 of Article 1259 and Article 1263 of the Civil Code contradict Article 19 (Part 1) of the Constitution, since they make it possible to grant legal protection to the images (pictures) of characters originally created as part of an audiovisual work as to independent works of visual arts.

The 15th Commercial Court of Appeal points out as follows: if a claim to protect exclusive rights to the characters as part of an audiovisual work is lodged, the defendant's actions are regarded as one infringement and, at the same time, in cases upon claims for protection of exclusive rights to the images of the characters (pictures), the courts proceed from the fact that one action of the defendant infringes the exclusive rights to several copyright-protected subject matters; it evidences that there is contradictory law enforcement practice in the relevant disputes. The complainant also believes that granting of judicial protection of the infringed right should not be determined by the substance of the claim, but by the nature of the offence, and considers that, when classifying the copyright-protected subject matter, the will of the author when creating a particular subject matter should be prioritized.

From the point of view of the 15th Commercial Court of Appeal, providing the right holder with an opportunity to assert claims to protect the exclusive rights to both, audiovisual works and works of visual arts means that he may recover double compensation for the infringement of the exclusive rights.

The Constitutional Court indicated that each author of the work included in an audiovisual work as its integral part, both existing earlier (the author of the work taken as a basis of script, etc.) and created during the work on it (camera director, artistic director, etc.), retains the exclusive right to his work, except where this exclusive right was transferred or passed to the manufacturer or other persons for other grounds stipulated by law.

Therefore, the acquisition by one person of the exclusive rights to the audiovisual work and the works included therein has no effect on the legal protection of the relevant intellectual property subject matters and the possibility to dispose of the exclusive rights thereto in the future.

When lodging a claim for recovery of compensation for the infringement of the exclusive right, it is the claimant

who should state the right to which intellectual property subject matter he considers as infringed. The competence of the court considering the case includes determination whether this right belongs to the claimant and whether it was infringed by the defendant.

The specific features of intellectual property subject matters are of such a nature that one action may infringe the exclusive rights to several results of intellectual activity or means of individualization. Such an infringement may consist in several intellectual property subject matters being expressed in one tangible medium.

In case of infringement by one action of the exclusive rights to several intellectual property subject matters belonging to one right holder, the court may decrease the compensation for this infringement. Taking into account position of the Constitutional Court No. 28-P dated 13 December 2016, the compensation amount may be set by the court below the minimum limit established by law as well.

2. PROTECTION OF COPYRIGHT AND RIGHTS TO TRADEMARKS

COMPENSATION MAY BE SET BELOW THE MINIMUM LIMITS ESTABLISHED BY LAW IN EXCEPTIONAL CASES ONLY (TAKING INTO ACCOUNT THE PROVISION OF §3 OF CLAUSE 3 OF ARTICLE 1252 OF THE CIVIL CODE AND THE LEGAL POSITION CONTAINED IN RESOLUTION NO. 28-P DATED 13 DECEMBER 2016 AS WELL AS THE EXPLANATIONS GIVEN IN RESOLUTION NO. 10), PROVIDED THAT THE DEFENDANT ASSERTS THAT IT IS NECESSARY TO APPLY THE RELEVANT PROCEDURE FOR DECREASING COMPENSATION (IP COURT, RESOLUTION DATED 29 APRIL 2020 ON CASE NO. A12-27805/2019)

Aeroplan CJSC filed with the Commercial Court of Volgograd Region a statement of claim against individual entrepreneur N. for recovery of compensation for infringement of the rights to the trademark under certificates of the Russian Federation Nos. 314615, 502206, 502205, 530684, 489246, 489244, 475236, 495105, 536394, 539928, 525023, and 525959 and to the copyright-protected subject matters being images of characters Masya, Papus, Nolik, Simka, Dedus, DimDimych, Kusachka, Fayer, Igrek, Verta, and Zhuchka in the amount of 230,000 rubles (10,000 rubles for infringement of the rights to each subject matter), expenses on purchase of the disputed product in the amount of 179 rubles, postage charges in the amount of 94 rubles, expenses on obtainment of an extract from the Unified State Register of Individual Entrepreneurs in the amount of 200 rubles, and expenses on state duty payment in the amount of 2,000 rubles.

By decision of the Commercial Court of Volgograd Region dated 14 October 2019 and the decision of the 12th Commercial Court of Appeal dated 17 December 2019, the compensation for the infringement of the rights to the trademarks and copyright-protected subject matters in the amount of 230,000 rubles, 2,000 rubles as the expenses on state duty payment, 179 rubles as the cost of the purchased product, and 94 rubles as the postage expenses were recovered from the defendant in favour of the claimant.

The defendant filed with the IP Court a cassation appeal, where he asks to amend the decision of the court of first instance and of the court of appeal and decrease the compensation to 30,000 rubles.

In support of the filed cassation appeal, the defendant remarks that, when determining the amount of compensation, the courts did not take into account the nature of the infringement and the extent of the infringer's responsibility, that the claimed compensation many times exceeds the claimant's losses, that the entrepreneur's infringement is a one-time infringement as well as that the use of intellectual property subject matters, the rights to which belong to other persons, infringing these rights was not substantial part of the defendant's business activities and was not gross. The IP Court comes to the conclusion that there are no legal grounds to satisfy the defendant's cassation appeal. The compensation amount to be recovered should be explained by the court.

At the same time, Clause 64 of Resolution of the Plenum of the Supreme Court No. 10 dated 23 April 2019 On Application of Part IV of the Civil Code explains that the compensation may be decreased when one action infringes the rights to several results of intellectual activity or means of individualization (musical work and its phonorecord; work and trademark, etc.)

The provisions of Article 1252 of the Civil Code apply only to multiple infringements and only if the defendant asserts that it is necessary to apply the relevant procedure for decreasing compensation.

It should also be taken into account that the compensation is liability for the actual infringement covered by the unity of the infringer's intents.

The compensation amount may be decreased below the minimum limits established by law in exceptional cases only (taking into account the provision of paragraph three of Clause 3 of Article 1252 of the Civil Code and the legal position contained in resolution No. 28-P dated 13 December 2016 as well as the explanations given in Resolution No. 10), provided that the defendant asserts that it is necessary to apply the relevant procedure for decreasing compensation.

For this purpose, the party asserting that such decrease is necessary is obliged to prove the necessity to apply such a measure by the court in accordance with Article 65 of the Commercial Procedure Court.

As it follows from the case files, the claimant asserted the minimum amount of compensation for the infringement of the exclusive rights (10,000 rubles for each infringement). At the same time, in violation of the provisions of Article 65 of the Commercial Procedure Code, the defendant did not present evidence that would result in a decrease in the compensation below the minimum limit established by law. Since the courts established the fact that the claimant had exclusive rights to the trademarks and works of visual arts, for which the stated claims were asserted, as well as the actual infringement by the defendant of the claimant's exclusive rights, in the absence of a reasoned statement submitted by the defendant that it was necessary to decrease the asserted amount of the compensation, the courts lawfully recovered from the defendant 10,000 rubles for each infringement of the exclusive rights.

3. PATENTS

IP COURT CONSIDERS THAT ROSPATENT MADE ERRONEOUS CONCLUSION THAT THE INFORMATION DISCLOSED

IN THE CITED PRIOR ART COULD NOT BE INCORPORATED IN THE PRIOR ART TO CHECK THE DISPUTED UTILITY MODEL FOR ITS MEETING THE "NOVELTY" PATENTABILITY CRITERION AS IT WAS MADE BY INCORRECT APPLICATION OF ARTICLE 1351 OF THE CIVIL CODE (IP COURT, DECISION DATED 15 MAY 2020 ON CASE No. SIP-725/2019)

ARTWAY STARTUP LLC filed with the IP Court a claim for invalidation of the Rospatent's decision dated 24 July 2019 on dismissal of the objection dated 07 February 2019 to patent of the Russian Federation No. 169627 for a utility model and for compelling Rospatent to reconsider the company's objection dated 07 February 2019.

By Rospatent's decision dated 24 July 2019, the company's objection was dismissed; patent of the Russian Federation No. 169627 was upheld.

In the company's objection, it was noted that all features of an independent claim, except for minor features "the edges have upper faces inclined to the plane of the blade at an angle (?) of 5–50°", became known before the priority date of the utility model from the videos posted on YouTube (*the sources are cited in the decision*).

At the same time, the objection emphasized that posting these videos in the personal account of the Safe Woodcutter channel before the priority date of the utility model under the disputed patent was documented by record of inspection of evidence No. 39 AA 1564976-1564978 dated 17 January 2018.

After analysing the company's and patent holder's arguments, Rospatent considered that the record of inspection of evidence certified the fact that the above videos with the information about the woodcutter were on the Internet on the date of the notary's inspection of that page (17 January 2018), that is, after the priority date (08 July 2016) of the utility model under the disputed patent. Rospatent also confirmed the fact that the information about the date of posting the videos on YouTube was publicly available on the Safe Woodcutter channel. At the same time, the submitted documents do not confirm the fact that the videos were publicly available before the priority date of the utility model under the disputed patent.

Rospatent noted that the videos on YouTube may be publicly available, may be available with limited access, or available by sharing the link. At the same time, the access settings may be changed by the YouTube channel administrator any time.

Taking into account the reference in the record of inspection of evidence that "the information shown in the annexes to this record was not publicly available; obtainment of such information required entry of registration data provided by the claimant and authorization", Rospatent came to the conclusion that, at the time of inspection by the notary, the user name and a password were required to access these videos, that is, they were not publicly available.

For this reason, Rospatent recognized the company's arguments that all material features of the claim of the utility model under the disputed patent were intrinsic to the woodcutter, information about which was disclosed in the videos posted on YouTube, as not confirmed by the company.

Thus, Rospatent came to the conclusion that the company's objection contained no arguments confirming that all material features of the independent claim of the utility model

under the disputed patent were known from the cited prior art and, therefore, contained no arguments making it possible to recognize the utility model under the disputed patent as not meeting the “novelty” patentability criterion, since it established that the cited prior art could not be regarded as documentary confirmation of the dates, from which the information about the videos was publicly available on the Internet and, accordingly, that it became publicly available before the priority date of the disputed utility model. The IP Court disagreed with the said arguments of Rospatent.

Filing with Rospatent the objection to the patent, the Company pointed out that all material features of the claim of the utility model under the disputed patent were intrinsic to the woodcutter, the information about which was disclosed in the videos posted on the Internet (YouTube), which uploading dates were 15 June 2016, 04 July 2016, and 12 June 2016, accordingly, as well as attached to the objection materials the record of inspection of evidence by the notary dated 17 January 2018, the company's letter to Youtube LLC dated 05 December 2017, the letter of Youtube LLC to the company, the Internet printouts from websites <https://support.google.com> on 1 sheet and <https://studio.youtube.com> on 13 pages confirming, in the opinion of the person that filed the objection, posting of the videos to be publicly available on YouTube. However, Rospatent considered that the said evidence did not confirm the date, from which the information about the videos was publicly available on the Internet, and, accordingly, became publicly available before the priority date of the disputed utility model.

The IP Court found the conclusion of Rospatent ungrounded, since Clause 4.3 of the Rules for Submitting Objections and Applications, which stipulated the duty of the Chamber of Patent Disputes to ensure conditions for full and non-biased consideration of the case, was violated. The IP Court also found ungrounded the argument of Rospatent that the record of inspection of evidence dated 17 January 2018 did not confirm that the date of publication of the video materials was before the priority date of the disputed utility model.

The court also noted that the record of inspection of evidence certified the authenticity of the video materials as well as the date of their publication and the fact that the video was viewed by the Internet users for a long time, therefore, it could not be with limited access not least because there were no identification signs, indicating that this video was with limited access only, on the screenshots available in the files of the case.

The conclusion of Rospatent that, at the time of inspection by the notary, the user name and a password were required to access these videos, so the information was not publicly available, was not confirmed. The arguments of the administrative authority on the limited access to the video file are also assumptions not confirmed.

At the same time, as explained in Clause 137 of Resolution of the Plenum of the Supreme Court No. 10 dated 23 April 2019 On Application of Part IV of the Civil Code, when considering cases on challenging decisions of Rospatent, the person submitting the objection may produce evidence that was not the subject of the examination by the administrative body when rendering the challenged decision. Rospatent did not point out what circumstances did not allow it to take into account the date of posting the video on the Internet shown on YouTube video hosting page and shown in the record of inspection of evidence by

the notary dated 17 January 2018 when determining the possibility of incorporating the video in the prior art. Rospatent proceeded from the fact that the record of inspection of evidence dated 17 January 2018 only certified that the videos containing the information about the woodcutter were on the Internet at the specified addresses on the date of the notary's inspection of this page.

As part of securing evidence, the notary records the presence of certain information on the Internet on a certain date i.e. the date of inspection.

The record of inspection of evidence was made by the notary who recorded the content of the video on the YouTube video hosting page and the date of its posting recorded by the video hosting itself.

Thus, taking into account that, to determine the prior art, the information contained in the information source, which any person may view on the Internet and which publication date should be confirmed to incorporate such information in the prior art, is considered as publicly available, **the IP Court considers that Rospatent came to the erroneous conclusion that the information disclosed in the cited prior art may not be incorporated in the prior art to check the disputed utility model for meeting the “novelty” patentability criterion, since it was made by incorrect application of Clause 2 of Article 1351 of the Civil Code.**

Therefore, in violation of the requirements of Part I of Article 65 of the Commercial Procedure Code, Rospatent did not prove that the circumstances served as a basis for rendering its challenged decision were lawful and grounded. Since the circumstances indicated by the company in its objection dated 07 February 2019 are material but their consideration was ignored by Rospatent, this circumstance is an independent basis for invalidation of the rendered non-regulatory act.

Since Rospatent committed significant violations of the procedure for considering the company's objection, **the IP Court comes to the conclusion that it is necessary to compel Rospatent to reconsider the company's objection** dated 07 February 2019 to patent of the Russian Federation No. 169627 for the utility model.

4. PATENT EXTENSION

EXTENSION OF THE VALIDITY PERIOD OF THE PATENT FOR A MEDICINE — DECISION OF THE IP COURT DATED 28 NOVEMBER 2019 ON CASE No. SIP-740/2018 SHOULD BE UPHeld AND THE CASSATION APPEAL OF THE FEDERAL SERVICE FOR INTELLECTUAL PROPERTY SHOULD BE DISMISSED (PRESIDIUM OF THE IP COURT, RESOLUTION DATED 4 JUNE 2020 ON CASE No. SIP-740/2018)

GILEAD PHARMASSET LLC filed with the IP Court a claim for invalidation of decisions of Rospatent No. 18I000561/2651892 dated 20 July 2018 on refusal to extend validity period of patent No. 2651892 and No. 08/16-17648 dated 09 October 2018 on dismissal of the complaint against refusal to extend the validity period of patent No. 2651892; for compelling Rospatent to extend the validity period of patent No. 2651892 based on the patent holder's application dated 20 June 2018. By decision of the IP Court dated 28 November 2019, the entity's claims were satisfied.

Having disagreed with the rendered decision, Rospatent and Pharmasintez Joint Stock Company filed cassation appeals with the Presidium of the IP Court, where they requested to reverse the decision of the court of first instance.

The court of first instance came to the conclusion that the scope of legal protection of the invention in independent claim 1 of the invention under patent No. 2651892 covered any stereoisomer of the compound specified in this claim at the phosphorus atom, including to Sofosbuvir, for which an application for extending the validity period of the patent was submitted, and the set of features proposed by the patent holder and defining the scope of legal protection of the invention was identical to the chemical formula of Sofosbuvir contained in marketing authorization No. LP-003527 dated 25 March 2016.

Therefore, the court of first instance came to the conclusion that the feature “or its stereoisomer” specified in independent claim 1 of the claims of the invention under patent No. 2651892 was a derivative of the basic compound isopropyl ether... of -propionic acid, namely S stereoisomer at the phosphorus atom, and its preparation was a standard procedure if the properties and activity were obviously kept in this scope.

Along with this, the court of first instance took into account the fact that the possibility to use each particular stereoisomer to suppress replication of the hepatitis C virus followed for a specialist from the examples presented in the application description.

Taking into account the foregoing, the Presidium of the IP Court rejected the argument of the cassation appeal of Rospatent on non-compliance of the conclusions of the court of first instance with Clause 2 of Article 1363 of the Civil Code and Sub-clause 1 of Clause 8 of Procedure No. 809 and on violation of the provisions of Part 2 of Article 69 of the Commercial Procedure Code.

In order to support its statement that it is impossible to extend the validity of the patentee’s exclusive right to the invention Rospatent explained that the chemical formula of the Sofosbuvir medicine disclosed in the independent claim 1 of the invention presented by the applicant for the additional patent is identical to chemical composition under independent claim 8 of the invention under patent No. 2478104. That composition was also examined by IP Court in another case (СИП-422/2018) where the court confirmed that the composition is not sufficiently disclosed in the application on which basis those patents had been granted. The court stated that neither the application materials (No. 2009139968) nor the documents on which base priority was claimed, nor the source publicly available before the priority date of the patent in question give description of the means and methods which could make possible embodiment of the invention. The Presidium of IP court observed with regard to that argument:

When considering extension of the validity period of the exclusive right to the invention and adoption of a decision on issue of an additional patent, no procedure for evaluating patentability of the invention was provided, for which reason Rospatent should have established only that the scope of legal protection of patent No. 2651892 included a product (in this case, a medicine) having the claims containing the set of features of the patented invention.

In order to determine whether a particular medicine falls within the claims of the invention characterized in general, the following totality of points should be established:

a particular substance (each component of the combination), for which use the authorization was obtained, actually falls within the general claims characterized in the patent.

This particular substance (or each component of the combination) was expressly disclosed in the patent description as falling within the general claims characterized in the patent, or a specialist in the relevant area could determine that this particular substance (or each component of the combination) fell within the general claims characterized in the patent from the patent description and the prior art as at the priority date of the patent.

The Presidium of the IP Court agreed with the conclusion of the court of first instance that independent claim 1 of the invention under patent No. 2651892 was identical to independent claim 1 of the invention under patent No. 2478104 examined when considering case No. СИП-422/2018, which incorporated the feature “or its stereoisomer”.

Due to the fact that the scope of consideration of the case in the court of cassation is limited to checking whether the provisions of substantive and procedural law are applied correctly by the courts and whether their conclusions on the application of the legal norms correspond to the facts established on the case and the evidence available in the case, there are no grounds to reverse or change the appealed judgment.

In light of the foregoing, there are no grounds to reverse the appealed judgment. The cassation appeal of Rospatent is to be dismissed.

5. TRADEMARKS

WHEN EVALUATING THE LIKELIHOOD OF CONFUSION OF THE TRADEMARK, THE COURT OF APPEAL REASONABLY PROCEEDED FROM THE FACT THAT THE CLAIMANT’S TRADEMARK UNDER CERTIFICATE No. 36 HAS BECOME WIDELY KNOWN IN THE MOTOR INDUSTRY MARKET SINCE 31 DECEMBER 1999, WHICH WAS DUE TO THE LONG AND INTENSIVE USE BY THE CLAIMANT OF HIS TRADEMARKS UNDER HIS CONTROL, IT IS RECOGNIZED AMONG OTHER TRADEMARKS IN THE RUSSIAN FEDERATION, AND, AS A RESULT, THE USE OF CONFUSINGLY SIMILAR DESIGNATIONS POSES A GREAT THREAT OF CONFUSION OF THESE TRADEMARKS AND THE DESIGNATION USED BY THE DEFENDANTS IN THE MINDS OF CONSUMERS (SUPREME COURT, No. 305-ES20-6564, RULING DATED 15 MAY 2020)

Having examined the cassation appeal of KDR-GROUP Limited Liability Company against the resolution of the 10th commercial court of appeal dated 21 October 2019 and the resolution of the IP Court dated 11 February 2020 on protection of the exclusive rights to the trademarks, the Supreme Court established:

By decision of the court of first instance dated 28 June 2019, the claim was dismissed.

By resolution of the court of appeal dated 21 October 2019 and the resolution of the court of cassation dated 11 February 2020, the court decision dated 28 June 2019 was

reversed, the claim was satisfied, the entrepreneur was prohibited from using the designation “KAMAZ” confusingly similar to the claimant’s trademarks in the domain name www.kamazi.ru, KDR-GROUP and the entrepreneur was prohibited from using it on the pages of www.kamazi.ru website, and KDR-GROUP was prohibited from using it in its e-mail addresses info@kamazi.ru and zakaz@kamazi.ru. KDR-GROUP was obliged to publish the court judgment in Moskovskaya Pravda newspaper.

KAMAZ

Trade Mark № 36

Having examined the arguments provided in the appeal, the judge of the Supreme Court concluded that there are no grounds, on which the cassation appeal may be referred for consideration in the court session of the Collegium on Economic Disputes of the Supreme Court.

BY ITSELF, THE DURATION OF USE OF A PARTICULAR DESIGNATION BY DIFFERENT PERSONS BEFORE THE FILING DATE OF APPLICATION FOR A TRADE-MARK DOES NOT EVIDENCE THAT THIS DESIGNATION HAS NO DISTINCTIVENESS (IP COURT, DECISION DATED 1 JUNE 2020 ON CASE No. SIP-976/2019)

Petro LLC filed with the IP Court a claim against Rospatent to cancel the decision dated 30 August 2019 rendered following consideration of the objection dated 24 May 2019 to the decision dated 18 February 2019 on refusal to perform state registration of the “TROIKA” trademark under application No. 2017731313 with regard to the goods of Class 34 according to ICGS.

TROIKA

Application № 2017731313

By the decision dated 18 February 2019, Rospatent refused to register the applicant’s trademark under application No. 2017731313. The said decision was based on the conclusions of the examination panel, which found that the claimed designation “TROIKA” has no distinctiveness in general, for which reason it cannot be registered as a trademark based on Clause 1 of Article 1483 of the Civil Code. In this instance, Rospatent proceeded from the fact that the claimed designation “TROIKA” (and its transliterated designation “ТРОЙКА”) was used by several companies for a long time before the filing date of the application to label tobacco products belonging to class 34 according to ICGS. Rospatent also noted that Petro did not produce any documents proving the acquired distinctiveness of the claimed designation.

On 24 May 2019, the applicant submitted to Rospatent an objection to the said decision, where it expressed its disagreement with the conclusions contained therein.

By the decision dated 30 August 2019, Rospatent dismissed the company’s objection and upheld the decision dated 18 February 2019 on refusal to perform state registration of the trademark under application No. 2017731313, since it came to the conclusion that the claimed designation does not comply with the requirement provided for by Clause 1 of Article 1483 of the Civil Code.

When rendering the said decision, Rospatent proceeded from the fact that the designation “TROIKA” claimed by

In its cassation appeal, the appellant refers to incorrect application of legal norms by the court of appeal and the court of cassation.

Having considered the files of the case, the court considers the claims to be satisfied for the following reasons.

the company is a transliteration of the word “ТРОЙКА” in Latin letters and is perceived unambiguously. Based on the information from the open sources on the Internet, the administrative authority found that the claimed designation has no distinctiveness due to the use of its transliteration (the word “ТРОЙКА”) by different persons when labelling the goods similar to the goods of Class 34 according to ICGS, with regard to which the applicant claims legal protection.

Rospatent also took into consideration that by its decisions dated 18 August 2017 on the trademarks “ТРОЙКА” and “TROIKA” (certificates No. 437841 and No. 437842) rendered following consideration of the objections dated 17 May 2017, the legal protection of the trademarks “ТРОЙКА” and “TROIKA” was invalidated with regard to the goods in Class 34 according to ICGS due to their non-compliance with the requirements of Clause 1 of Article 1483 of the Civil Code.

With regard to the applicant’s argument on its exclusive right to the well-known trademark under certificate of the Russian Federation No. 38, containing the word “ТРОЙКА”, the administrative authority noted that this trademark makes completely different general visual impression as compared to the claimed designation, since it focuses on a stylized image of a horse cart directed by a coachman, and the font of the word element “ТРОЙКА” is graphically processed.

Being guided by the foregoing, Rospatent agreed with the conclusions of the examination panel that the designation under application No. 2017731313 cannot be registered as a trademark with regard to the claimed goods of Class 34 according to ICGS under Clause 1 of Article 1483 of the Civil Code.

Having disagreed with that decision, Petro filed with the IP Court a claim on this case and the court, when reversing the decision of Rospatent, noted, among other things, the following points.

The mere fact of the designation’s use by different persons before the filing date of application for a trademark is not sufficient to establish the associative links that arose or could arise among consumers in connection with this designation, and, accordingly, to conclude that the designation has no distinctiveness. This fact should be taken into account along with other facts of the case evidencing formation or possible formation of associations among consumers in connection with a particular designation. At the same time, duration, intensity of the designation’s use, possible disappearance of associative links due to the remoteness of the designation’s use in time from the filing date of the application for a trademark, and consumer awareness of the designation’s use by different manufacturers may be, in particular, taken into account. Similar legal position was expressed in the resolutions of the Presidium of the IP Court dated 06 February 2015 on case No. SIP-537/2014 and dated 09 February 2015 on case No. SIP-687/2014.

Therefore, by itself, the duration of use of a particular designation by different persons before the filing date of the application for a trademark does not evidence that this designation has no distinctiveness.

The Collegium believes that the conclusion of Rospatent that the verbal designation claimed by Petro for registration as a trademark does not comply with the requirement set by Clause 1 of Article 1483 of the Civil Code.

Accordingly, the evidence produced, including that obtained from the Internet, is evaluated for its relevance

to the period to be examined, which means the time of filing of the application for trademark registration and the time of filing of the objection.

The court evaluates reliability of the evidence obtained through self-recording of the information available on the Internet by the parties, both for actual posting of such information on the Internet during certain period and for its reliability. The court draws attention to the erroneousness of the Rospatent's conclusion that the claimed designation has no distinctiveness, which is based solely on the argument that the designation "Troika" was used to individualize cigarettes by different manufacturers. In addition, the conclusions based on the results of consideration of the objection by the Chamber of Patent Disputes with regard to the trademarks under certificates No. 437841 and 437842 and taken as a basis of the decision do not contain any information about manufacturing by any third parties in 2017 or earlier of the tobacco products labelled with the disputed designation (or its transliteration "Тройка") either.

The IP Court also notes that Rospatent did not duly evaluate the applicant's argument that possible use by other persons of the disputed designation before the filing date of the application evidences the infringement by such persons of the applicant's exclusive right to the well-known trademark under certificate of the Russian Federation No. 38, containing the word element "ТРОЙКА", for which reason the circumstances of such use cannot evidence that the claimed designation (transliteration of the word element "ТРОЙКА") lost its distinctiveness.

The Collegium believes that the scope and duration of use of the disputed designation established by Rospatent are not sufficient to establish the associative bonds that arose or could arise among consumers in connection with the designation and, accordingly, to conclude that the designation lost its distinctiveness.

The IP Court believes that the violations committed by Rospatent when considering the objection of Petro are material, since they did not allow it to comprehensively, fully and without bias consider the dispute and they evidence both the illegality of the challenged decision of Rospatent rendered following consideration of this objection and the infringement of the rights and legitimate interests of Petro.

Under such circumstances, the Rospatent's decision dated 30 August 2019 cannot be recognized as compliant with the law.

In this instance, the court believes that, to remedy the infringement of the applicant's rights and legitimate interests, Rospatent should reconsider the objection of Petro.

THE PRESIDIUM OF THE IP COURT NOTED THAT, WHEN CONSIDERING THIS APPLICATION, THE WELL-KNOWN STATUS OF THE CLAIMED DESIGNATION AS A WHOLE (BUT NOT OF ITS REMAINING PART THAT WAS NOT INCLUDED IN THE DESIGNATION PREVIOUSLY RECOGNIZED AS WELL-KNOWN) SHOULD BE EVALUATED AND THE APPROACH APPLIED BY ROSPATENT IS ERRONEOUS (PRESIDIUM OF THE IP COURT, RESOLUTION DATED 28 MAY 2020 No. S01-180/2020 ON CASE No. SIP-25/2019).

Rospatent invalidated the decisions of Rospatent on dismissal of the application filed by Red Bull GmbH for recognition of the trademark under international registration No. 789927 as well-known in Russia with regard to the goods in class 32 "energy drinks".

Rospatent took into account that the combined designation comprising the verbal designation "Red Bull" showing two red bulls against the background of a golden circle is already recognized as well-known trademark No. 169 in the Russian Federation (No. 169) and noted that it is these elements that perform the main individualizing function in the claimed designation as well but pointed out that the company did not confirm the well-known status of the background as such, which is of secondary importance.



Trade Mark № 789927



Well-known Trade Mark № 169

Having considered the cassation appeal of Rospatent against the decision of the court of first instance, which reversed the Rospatent's decision, the Presidium of the IP Court noted the following points.

The court of first instance lawfully pointed out that Rospatent had not evaluated the evidence produced by the company and containing previously registered well-known trademark No. 169 (priority date: 01 January 2010) and had not reasoned the grounds for its rejection.

The Presidium notes the Rospatent was wrong stating that previous recognition of a part of the claimed designation (the combined designation comprising the verbal designation "Red Bull" showing two red bulls against the background of a golden circle) as a well-known trademark in the Russian Federation results in the need to prove the well-known status of the remaining elements (background) as such.

The Presidium of the IP Court noted that, when considering the application, the well-known status of the particular claimed designation as a whole (but not of its remaining part that was not included in the designation previously recognized as well-known) should be evaluated and the approach applied by Rospatent is wrong and, as a result, resolved to uphold the decision of the IP Court dated 16 December 2019 on case No. SIP-25/2019.

EAPO'S PRACTICE

EXPANSION OF EAPO'S COOPERATION UNDER THE PATENT PROSECUTION HIGHWAY PROGRAM

On 24 April 2020, the Memorandum of Understanding on the pilot Patent Prosecution Highway Program between the Eurasian Patent Office (EAPO) and the Finnish Patent and Registration Office (PRH) became effective. The Memorandum of Understanding determines the basic principles of cooperation between EAPO and PRH on implementation of the pilot Patent Prosecution Highway Program (the "Pilot PPH Program") as well as the conditions for launch and the duration of the program. The implementation of the Pilot PPH Program between EAPO and PRH is planned to begin in the second half

of 2020. The exact date will be additionally determined by the offices. The duration of the Program will be three years and may be further extended as agreed upon by the parties. Since 1 May 2020, the PPH Program has been implemented by EAPO and the Japan Patent Office (JPO) on a continuous basis.

ROSPATENT'S PRACTICE

1. PATENTS

WEIGHT OF THE EARRING CANNOT BE DETERMINED VISUALLY BASED ONLY ON ITS SIZE; THE LARGER ELEMENT DOES NOT NECESSARILY HAVE GREATER WEIGHT (CHAMBER OF PATENT DISPUTES - DECISION DATED 24 APRIL 2020 UNDER PATENT FOR UTILITY MODEL No. 181119).

The Chamber of Patent Disputes considered the objection to patent No. 181119 for the “Earring” utility model under application No. 2017140123/12 with the following claims (only claim 1 is cited):

“1. An earring comprising a decorative element and a fastening element, while the first part of the decorative element is connected to the end of the fastening element, characterized by the fastening element made in the form of a spiral turn, which weight does not exceed the weight of the decorative element”.

The objection stated that the Internet contains information posted about the earrings by designer and jewellery manufacturer Maria Black, which consist of fastening and decorative elements and which fastening element is made in the form of a spiral turn. It clearly follows from a visual inspection of the photos publicly available on the Internet that the fastening element weighs less than the decorative one.

The Collegium noted the following points.

The utility model under independent claim 1 of the disputed patent differs from the known solutions by the fastening element made in the form of a spiral turn, which weight does not exceed the weight of the decorative element.

The Internet printouts only show the appearance of the jewellery and specify the material it is made of. However, the perspective showing these items does not make it possible to conclude that the fastening element of the earring is made in the form of a spiral turn. No data on the weight of fastening and decorative elements is provided in the Internet printouts. At the same time, it is not possible to agree with the opinion of the person who filed the objection that the weight of the earring elements can be determined visually based only on their size, since the larger element does not necessarily have greater weight. Thus, one of the earring elements can be larger but at the same time hollow (for example, tubular), while the other element can be smaller but solid.

The objection does not contain any arguments that make it possible to recognize the utility model under the disputed patent as not meeting the “novelty” patentability criterion and patent No. 181119 for the utility model is upheld.

2. TRADEMARKS

THE DESIGNATION “IDCHAIN” IS THE NAME OF A SYSTEM THAT IMPLEMENTS A BLOCKCHAIN-BASED

REMOTE IDENTIFICATION MECHANISM. REGISTRATION OF THE CLAIMED DESIGNATION AS A TRADEMARK WILL BE DETRIMENTAL TO THE PUBLIC INTERESTS, SINCE THE REMOTE ACCESS AND IDENTIFICATION TECHNOLOGY KEEPING THE SEQUENCE OF USER ACTIONS IN THE PROGRAM CHAIN IS POSSIBLE IN ANY FIELD OF THE PUBLIC ACTIVITIES AND GRANTING EXCLUSIVE RIGHT TO THE SAID DESIGNATION TO ONE PERSON WILL GIVE THAT PERSON UNREASONABLE ADVANTAGES OVER THE OTHER MEMBERS OF THE PUBLIC (DECISION OF THE CHAMBER OF PATENT DISPUTES DATED 15 APRIL 2020)

The designation IDChain under application No. 2018757207 was filed on 24 December 2018 for registration as a trademark for the goods in classes 09, 16, 25, and 28 and the services in classes 35, 36, 38, 39, 41, 42, and 45 according to ICGS.

Rospatent refused registration of the trademark since the designation “IDCHAIN” is the name of the system that implements the Blockchain-based remote identification mechanism. Thanks to this system, banks will not have to share personal data and each operation will be recorded in Blockchain.

The applicant filed an objection, which the Collegium of the Chamber for Patent Disputes considered as unconvincing.

IDChain

Application № 2018757207

As per the English-Russian Dictionary of Computer Engineering and Information Technology, the word

“ID” in Russian means “identifier”, “command decoder”, the word “CHAIN” means “path in the network”, “chain”, “chain algorithm”, “channel”, or “sequence”.

In the English-Russian Explanatory Dictionary of Computer Engineering, the word “chaining” means the formation of a chain.

1. As to hardware, a connection of several hardware elements so that they depend on one another.
2. In programming, a connection of two or more programs so that the first program launches the second, etc.
3. In programming, a sequence of statements, where each statement, except for the first one, uses the output of the previous statement as input.
4. In batch files, a link between two or more batch files so that completion of each file automatically invokes execution of the next one.
5. In data storage systems, a link between two or more elements of storage. For example, one file may actually be stored in several sectors of the disk, each of which indicates the next sector continuing the same file. Such sectors are called linked or a chain.

In later dictionaries in computer science available on the Internet, the word “CHAIN” translated from English into Russian means “chain” and is used in Microsoft software products (<https://www.microsoft.com/ru-ru/language/Search?&searchTerm=chain&langID=635&Source=true&productid=0>).

Taking into account the foregoing meanings of the word elements comprising the claimed designation, it should be concluded that the designation “IDChain” is translated as “chain identifier”, is widely used in computer engineering,

evokes associations with remote access computer technologies, and, therefore, is descriptive as it indicates the properties of goods (any goods that may be used by means of remote identification technology (as well as any goods, into which such technology is integrated or which relate to access to the chain through an electronic identifier)) and services (services that may be either provided through, or associated with, identification in the program chain). Besides, the Collegium checked the links to websites <https://tass.ru/press-relizy/4919340> and <https://nangs.org/news/it/blokchejn-lishit-raboty-tysyachi-chinovnikov-izmenit-mir-do-neuznavаемosti> available in the files of the case, which made it possible to establish that there is information about the use of the designation “IDCHAIN” by other parties to civil law transactions before the priority date of the claimed designation.

Information about use of the designation “IDCHAIN” by various business entities, posted on the above websites before the priority date of the claimed designation, may be taken into account not as an independent reason for refusal but in conjunction with the above dictionary meanings of the word elements “ID” and “CHAIN”. The analysis of dictionary sources and the Internet information resources makes it possible to establish that the designation “IDCHAIN” is known to an average ordinary Russian consumer and is associated by him exactly with the “remote identifier” system in computer technologies. At the same time, the designation “IDCHAIN” may mislead the consumer as to the properties and purpose of part of the goods in Class 09 according to ICGS, which are measuring instruments, rescue equipment, accessories for electronic devices, all goods of class 16 according to ICGS, which are stationery and office equipment, all goods in class 25 according to ICGS, part of the goods in class 28, which are sports goods, accessories for games not related to computer technologies, children’s toys, etc. Taking into account the foregoing, it is not possible to agree with the applicant that the designation “IDCHAIN” is coined and the examination panel’s conclusion that, for part of the claimed goods and services, the designation is their characteristic (property and purpose) and, for the remaining goods and services not related to the “IDCHAIN” technology, the designation may mislead the consumer as to the characteristics of the goods and the properties of services should be recognized as lawful, therefore, the claimed designation does not meet the requirements of Clause 1 and Sub-clause 1 of Clause 3 of Article 1483 of the Code. The Collegium also notes that registration of the claimed designation as a trademark will be detrimental to the public interests, since the remote access and identification technology keeping the sequence of user actions in the program chain is possible in any field of the society’s activities and granting exclusive right to the said designation to one person will give this person unreasonable advantages over the other members of the society.

THE ELEMENT “XJ220” INCLUDED IN THE CLAIMED DESIGNATION IS A SIMPLE COMBINATION OF CONSONANTS AND FIGURES, WHILE THE SAID ELEMENTS DO NOT HAVE ORIGINAL GRAPHIC DESIGN AND THEIR COMBINATION DOES NOT CREATE ANOTHER LEVEL OF PERCEPTION OF THE DESIGNATION DIFFERENT FROM THE PERCEPTION OF INDIVIDUAL

ELEMENTS INCLUDED IN IT (DECISION OF THE CHAMBER FOR PATENT DISPUTES DATED 06 APRIL 2020)

On 13 September 2019, Rospatent took a decision on registration of a trademark with regard to the goods of classes 09, 12, 14, 16, 18, 25, and 28 and the services of class 37 according to ICGS **excluding the element “XJ220” from legal protection**, since this element has no distinctiveness as is a combination of simple letters “XJ”, which have no verbal meaning and distinctive graphic design, and of simple figures “220”, which have no distinctive graphic design either, for which reason this element is unprotectable based on Clause 1 of Article 1483 of the Code.



Application № 2018757207

Dismissing the objection, the Collegium of the Chamber for Patent Disputes noted the following points.

It does not follow from the submitted materials that the element “XJ220” itself, independently and without any additional elements, acquired distinctiveness, since this designation is used in conjunction with the car brand “JAGUAR”, that is, in combination with a word element. The documents produced by the applicant to prove that the designation acquired distinctiveness are taken into account when taking a decision on state registration of a trademark if they confirm that, before the filing date of the application, the claimed designation was perceived by a consumer as the designation intended to individualize the goods of a certain manufacturer.


The element “XJ220” included in the claimed designation is a simple combination of consonants and figures, while the said elements does not have original graphic design and their combination does not create another level of perception of the concerned designation different from the perception of individual elements included in it. Thus, the claimed designation contains the unprotected element “XJ220”. In this respect, this element may not be granted legal protection with regard to the claimed goods and services.

The applicant’s arguments that the claimed designation acquired distinctiveness due to the fact that the applicant’s products, in particular, those under the designation “JAGUAR”, are widely known and the element “XJ220” of the claimed designation has distinctiveness as such due to acquiring verbal specificity when pronounced and being easily memorized by ordinary consumers as well as this element has also acquired distinctiveness as a result of its long use and ordinary consumers can easily distinguish the products designated by the combination “XJ220”, both with and without the word “JAGUAR”, from any other homogeneous products may not be taken into consideration in view of the following points.

It does not follow from the submitted documents that the element “XJ220” itself, independently and without any additional elements, acquired distinctiveness, since this designation is used in conjunction with the car brand “JAGUAR”, that is, in combination with a word element. The objection documents do not contain any evidence that, as a result of long and intensive use in the Russian Federation, the designation “XJ220” acquired distinctiveness and is associated solely with the applicant’s products. The Collegium came to the conclusion that the element “XJ220”, as lawfully stated in the Rospatent’s decision, does not meet the requirements set out in Clause 1 of Article 1483 of the Code.

3. WELL-KNOWN TRADEMARKS

In June, Rospatent recognized the following trademark (No. 213, decision dated 16 June 2020) as well-known:

Trade Mark	
Right Holder	Soremartec S.A.(Luxembourg)
Goods/Services	Confectionery, namely candies (class 30 according to ICGS)
Date of Becoming Well-Known	22 August 2017

“Raffaello” was recognized as a well-known trademark only upon reconsideration of the application filed by Soremartec S.A. in accordance with the decision of the IP Court. Earlier, two years ago, Rospatent refused to recognize it, having considered that the company had not proven that the claimed designation in the presented design and range of colours was used for a long time for labelling certain goods and that consumers associate this trademark with such labelling.

4. APPELLATIONS OF ORIGIN

During the period from April to June, Rospatent registered seven appellations of origin:

Number in the Register of Appellations of Origin	Appellation of Origin	Goods
237	KARGOPOL CLAY TOY	Clay toy
238	LIDA BEER	Beer
239	LIDA KVASS	Kvass
240	CRIMEAN	Drinking therapeutic-natural mineral water
241	KARELIAN PASTIES	Open-faced rye pasties made of unfermented dough
242	OSSETIAN TRADITIONAL COSTUMES	Traditional costumes and their components
243	KUBACHI	Decorative and utilitarian silverware

NEWS

SEPTEMBER 2020 // MOSCOW

Gorodissky & Partners has successfully passed the certification audit for compliance with the requirements of the international standard ISO 9001:2015, which guarantees high quality services and confirms compliance with the international quality management standards.

ISO 9001 is an international standard developed by quality experts. This verification focuses on satisfaction of the customers and employee’s needs, and continuous improvement of processes affecting quality.

The audit was carried out by TÜV AUSTRIA CERT GMBH — one of the industry’s leading organizations in the field of assessments according to ISO system and standards.

According to the results of the certification audit, Gorodissky & Partners quality management system has been proved to be in compliance with the requirements of international standard ISO 9001: 2015 for the following areas:

- strategic consulting in the field of intellectual property (IP);
- patent information and analytics services;
- drafting, filing and prosecution of applications with PTOs;
- legal services for commercialization, ensuring comprehensive protection and enforcement of IP rights to various subject matters including inventions, trademarks, industrial designs, know-how, copyrights and related rights);
- maintenance of registered IP rights;
- dispute resolution & litigation;
- consultancy in areas related to intellectual property (advertising, media, IP taxation, internet & e-commerce, data protection and privacy, telecommunications).

The auditors of TÜV AUSTRIA CERT GMBH noted a high degree involvement of the firm’s leaders in the quality management process, interaction with clients, as well as availability of own bespoke IT platform for workflow management and knowledge-base maintenance, well-tested mechanisms of interaction and anti-crisis response. Valery Medvedev, Managing Partner of Gorodissky & Partners, said: “Obtaining ISO certificate is a great news for us and our clients.

Providing professional services of high quality and customers’ satisfaction is one of our top priorities. External audits and outside perspectives are helpful for improving work processes, important for our clients’ protection and confidence in our compliance with

the highest requirements and international standards. “

24 SEPTEMBER 2020 // MOSCOW

Stanislav Rumyantsev, Ph.D., CIPP/E, Senior Lawyer (Gorodissky & Partners, Moscow), spoke on “New Fines for Breaching Localization Requirement: What to Do?” at Business Way Forum conference “Legal Protection of Information” in Moscow.



PHOTO: STANISLAV RUMYANTSEV, PH.D., CIPP/E, SENIOR LAWYER (GORODISSKY & PARTNERS, MOSCOW)

During the report, Stanislav spoke about what fines are established for violating the requirement for localization of personal data, who is at risk of

falling under these fines, what is the essence of the requirement for localizing personal data, and also how, from a practical point of view, to fulfill this requirement, and how to demonstrate compliance to the inspection bodies.

25 SEPTEMBER 2020 // MOSCOW

Ilya Goryachev, Senior Lawyer (Gorodissky & Partners, Moscow), made a presentation “Legal protection of corporate identity” at the Conference “Legal and ethical aspects of marketing” organized by the Business Way Forum in Moscow. In his presentation, Ilya told what a corporate identity is from a legal point of view, what are the tactics of protecting a corporate identity, how to competently create advertising materials as elements of a corporate identity, how to protect against imitations. At the end of his speech, Ilya presented case-study, which aroused keen interest of the audience.

15 OCTOBER–20 OCTOBER 2020 // MOSCOW

Sergey Medvedev, Ph.D., LL.M., Partner (Gorodissky and Partners, Moscow), held a session “Digital Technologies in Intellectual Property” at the LES Annual Meeting 2020, which this year took place online. During the session, Alexander Sysoenko, Head of the DLT Development Center, Federal Institute of Industrial Property (FIPS) / Russian PTO, spoke about innovative digital technologies and services provided by the Russian PTO and the use of blockchain technology by public authorities and the private business, Andrey Inshakov, Head of Patent Department, Yandex, shared his view on obtaining patents for AI-related technologies in Russia, Sergey Medvedev spoke in IP/IT licensing and tech-transfer in the digital era.



Sergey Medvedev
PH.D., LL.M.
PARTNER | GORODISSKY & PARTNERS

PHOTO: SERGEY MEDVEDEV, PH.D., LL.M., PARTNER (GORODISSKY & PARTNERS, MOSCOW)

20 OCTOBER–21 OCTOBER 2020 // MOSCOW

Yury Kuznetsov, Partner, Russian & Eurasian Patent Attorney, member of FICPI Russia (Gorodissky & Partners, Moscow), was a co-moderator of the joint Russian PTO and FICPI Russia Round table “Current ways of electronic interaction between patent office, applicants, professional representatives and third parties. In search of best practices” at the XXIV Russian PTO International Conference. The discussion was attended by representatives of the Russian PTO, the Eurasian Patent Office, as well as members of FICPI-Russia. In particular, the following issues were discussed: resolutions of the FICPI executive committee on online interaction, accessibility of information and services of patent offices; provision of public services by the patent office in electronic form; approaches of patent offices to electronic interaction with applicants; participation of patent offices in WIPO’s digital standardization activities; own systems of interaction with patent offices, openness of interaction protocols; new directions for the development of electronic interaction; information provision and service boundaries of patent offices.

22 OCTOBER 2020 // MOSCOW

Stanislav Rumyantsev, Ph.D., CIPP/E, Senior Lawyer (Gorodissky & Partners), moderated the panel discussion “Streams of personal data in an international company: how to work according to the rules and not “burn out”?” organized by the International Association of Privacy Professionals (IAPP). The webinar was dedicated to the peculiarities of cross-border transfer of personal data within international companies, related risks, problems and applied solutions. The speakers answered the most pressing questions and shared their own experience on the discussed issues.

The webinar gathered more than 100 participants.

22 OCTOBER–23 OCTOBER 2020 // MOSCOW

Evgeny Alexandrov, Partner, Head of legal, trademark and design practice (Gorodissky & Partners, Moscow), spoke in a plenary session “Systematization of the main trends in the field of intellectual property: legal aspects” at the XXI IP Forum organized by the inform-media Russia in Moscow.



PHOTO: EVGENY ALEXANDROV, PARTNER, HEAD OF LEGAL, TRADEMARK AND DESIGN PRACTICE (GORODISSKY & PARTNERS, MOSCOW)

Sergey Medvedev, LL.M., Ph.D., Partner (Gorodissky & Partners, Moscow), appeared as an expert at the round table “IP Transactions – legal and practical aspects”, as well as together with Valery Narezchny, Ph.D., Counsel, and Sergey Vasiliev, Ph.D., Partner, Lead Lawyer (both with Gorodissky & Partners, Moscow), took part in a Business session “Venture Capital and Intellectual Property” which was held on the second day of the Forum.

27 OCTOBER–29 OCTOBER 2020 // MOSCOW

The 18th Annual Seminar “IP Protection Strategies for Company Successful Development” was held by Gorodissky & Partners online this year. Within 3 days, leading IP attorneys and lawyers of the Moscow and Novosibirsk offices, as well as the invited speaker from the Eurasian Patent Office, held 3 sessions: patents, trademarks and legal aspects, and highlighted the most important practical issues and development trends in IP. On the first day of the seminar, devoted to patents, great interest was aroused by the first time raised round table topic “Use of values intervals for characterizing the invention in the claims”, as well as speeches on global trends in patent activity; new regula-

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tions of examination of administrative disputes in the Chamber of Patent Disputes of the Russian PTO; and the review of the Russian PTO's practice related to patent disputes. The session devoted to trademarks was the most intense. Six reports were presented and among others, the following issues were discussed: brand

protection as an important element of business development strategy; geographical indications as assets providing new business opportunities; analysis of key positions of the highest courts in disputes on the protection of exclusive rights to trademarks; protection of the graphic interface as an industrial design. The final day of the seminar was devoted to the legal aspects of ownership and disposal of intellectual property. The firm's lawyers shared their practice and presented speeches on intellectual property as an element of business control; spoke about ways

to conduct an advertising campaign without legal problems, and talked about the practice of passing Roskomnadzor's checks on personal data. The seminar brought together over 100 participants: company executives, business development specialists, heads of legal, research and licensing departments, lawyers, patent attorneys, engineers, inventors, marketing and advertising specialists, and brand managers from many regions of Russia.



PHOTO: SPEAKERS OF THE 18TH GORODISSKY ANNUAL SEMINAR "IP PROTECTION STRATEGIES FOR COMPANY SUCCESSFUL DEVELOPMENT"



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