

Trademarks 2021

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Trademarks

2021

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Theodore H Davis Jr and Olivia Maria Baratta
Kilpatrick Townsend & Stockton LLP

Lexology Getting The Deal Through is delighted to publish the seventeenth edition of *Trademarks*, which is available in print and online at www.lexology.com/gtdt.

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Australia, Belgium, Eurasia, India, Luxembourg, Netherlands, Philippines and Poland.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Theodore H Davis Jr and Olivia Maria Baratta of Kilpatrick Townsend & Stockton LLP for their continued assistance with this volume.



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PETOŠEVIĆ

LEGAL FRAMEWORK

Domestic law

1 | What is the primary legislation governing trademarks in your jurisdiction?

The Eurasian Economic Union (EAEU), a successor to the Eurasian Economic Community, is a regional organisation covering a territory of over 20 million square kilometres and with a population of more than 182 million people. Former Kazakh president Nursultan Nazarbayev first suggested the idea of creating the Eurasian Union in 1994, and numerous treaties were signed subsequently to establish the trading bloc. Founded in 2000, the EAEU has been operating as a customs union since 2011 and as an economic union since 2015.

On 1 January 2015, a treaty entered into force that established a new form of integration within the territory of the former Soviet Union, comprising three member states – Belarus, Kazakhstan and Russia. The EAEU expanded to two new countries soon after: Armenia's accession treaty came into force on 2 January 2015, while Kyrgyzstan's accession took place on 6 August 2015.

A supranational IP protection system has nearly been completed. On 6 December 2018, the Council of the Eurasian Economic Commission signed the Agreement on EAEU Trademarks, Service Marks and Appellations of Origin (the EAEU Trademark Treaty). The Agreement will enter into force once all member states bring their registration procedures and official fees in line with the Agreement and deposit their instruments of ratification to the Eurasian Economic Commission (EEC), expected by the end of 2020.

The signing of the Agreement confirms that the final text passed internal approvals in all EAEU member states and concludes the negotiation stage. It is now only a question of certain technicalities that must be completed before we see EAEU trademarks, service marks and appellations of origin become the new standard for the region.

The sources of law governing the EAEU trademark include international law, a set of laws from the EAEU's predecessors (the Eurasian Economic Community and the Customs Union) and the current EAEU legislation.

International law

2 | Which international trademark agreements has your jurisdiction signed?

The EAEU Trademark Treaty, dated 17 March 2016, adopted by the Decree of the Eurasian Economic Commission Council No. 13, also dated 17 March 2016. It was signed on 3 February 2020 by all EAEU members states – Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia. The Agreement will enter into force once all member states bring their registration procedures and official fees in line with the Agreement and deposit their instruments of ratification to the EEC,

expected by the end of 2020. The Agreement was first signed by the EEC in December 2018.

Protocol on the Enforcement and Protection of Intellectual Property Rights (Annex No. 26 to the Agreement on the EAEU, dated 29 May 2014).

Regulators

3 | Which government bodies regulate trademark law?

The Eurasian Economic Commission is the intergovernmental organisation responsible for collecting, storing and managing information on EAEU trademarks and for ensuring access to it. National trademark offices are responsible for receiving and processing EAEU trademark applications, conducting formal and substantive examinations, and receiving and processing the fees.

REGISTRATION AND USE

Ownership of marks

4 | Who may apply for registration?

A private person or a legal entity (directly or via its representative or trademark attorney; non-residents of the Eurasian Economic Union (EAEU) should file via a registered trademark attorney).

Scope of trademark

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

Any sign capable of being represented graphically can be protected and registered as an EAEU trademark (including words, design, 3D, holograms, combinations, colour marks and marks consisting of digits). Certification and guarantee marks as well as signs that cannot be represented graphically cannot be registered as EAEU trademarks.

Unregistered trademarks

6 | Can trademark rights be established without registration?

No, they cannot. This region, as well as all the member countries of the EAEU, are first-to-register jurisdictions.

Famous foreign trademarks

7 | 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?

The current version of the Agreement on EAEU Trademarks, Service Marks and Appellations of Origin (the EAEU Trademark Treaty) and the

Instructions to the Agreement do not mention famous trademarks. The question of their registration as famous (well-known) is to be decided on by each member state separately. Hence, the conditions for registration and the validity period of well-known marks differ from member state to member state. For instance, under the Kazakh legislation, well-known marks are valid for 10 years, the same validity period as for other traditional marks, and require a proof of the well-known status with each renewal request (article 18-1 of the Law on Trademarks, Service Marks and Appellations of Origin No. 456, dated 26 July 1999, with recent amendments). In Russia, a well-known status of a trademark can be established through a specific, prescribed procedure; registered well-known mark enjoys indefinite protection (article 1508 of the Civil Code).

The benefits of registration

8 | What are the benefits of registration?

Currently, to obtain trademark protection in all EAEU member states, an applicant must file separately, at each national patent and trademark office. Under the new system, right holders will be able to obtain legal protection simultaneously in all member states by submitting one application to any of the national offices of EAEU member states. They will be able to choose a 'receiving office'. The EAEU trademark will be kept in a single register administered by the Eurasian Economic Commission, which allows more efficient and effective communication. The unified system should become a faster way to obtain full protection in all (currently five) member states.

The unified system is also expected to offer a more affordable procedure, because the applicant will pay a single filing fee at the receiving office only. Examination fees will still need to be paid to all national offices separately. The applicant may reduce the translation costs, because an application can be filed in Russian or in any officially recognised local language together with a Russian translation (in the event of any discrepancy, the Russian version will prevail).

Filing procedure and documentation

9 | What documentation is needed to file a trademark application? What rules govern the representation of the mark in the application? Is electronic filing available? Are trademark searches available or required before filing? If so, what procedures and fees apply?

Formally, a power of attorney is required when filing an EAEU trademark application. However, it may be submitted subsequently, upon receipt of a related office action that asks for the missing documents. The power of attorney requirement might be a simple formality or may even be disregarded by the examiner, as it is now in Russia. In practice, the power of attorney is required neither for filing nor for the examination of a trademark.

A trademark application can be accepted if the sign consists of words, letters, digits, pictures, holograms, colours and combination of colours, 2D or 3D forms, or any combination of these elements.

The application should cover only one trademark and may be filed electronically or on paper. If filed in paper form, it should be submitted on white A4 size paper.

The application should contain the following information:

- the applicant's full name and address;
- if applicable, the representative's full name, registration number and power of attorney (a trademark attorney registered in a member state different from the one where the application is filed can file the application in the other country only if an agreement on recognition of trademark attorneys between such states exists);
- the graphical representation of the mark (two samples), with the following requirements:

- the maximum size of the graphical representation should be 5 megabytes if filed electronically as a jpg or tif file and 8x8cm if submitted on paper;
- for 3D marks, all projections should be submitted; and
- for holographic marks, all images showing holographic particularities should be filed;
- the description of the mark, translated into languages used in member states, the transliteration of a trademark and the meaning of the mark if applicable;
- the colour or colours claimed (if applicable);
- the type of the mark; and
- the list of goods and services covered by the trademark under the Nice Classification.

The EAEU Trademark Treaty also provides for the registration of collective EAEU trademarks. These applications should be accompanied with a charter of the collective mark, containing information on the name of the organisation, the purpose of the mark's registration, the list of persons or entities eligible to use the mark, and the list of the common characteristics and specific features of the goods.

Applicants will also be able to claim priority in accordance with the Paris Convention (the priority claim should be indicated when filing the application or within one month after filing).

As to the trademark searches before filing an EAEU trademark, there is no unified search procedure, thus searches should be done separately in each member state.

Registration time frame and cost

10 | How long does it typically take, and how much does it typically cost, to obtain a trademark registration? When does registration formally come into effect? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?

The entire registration procedure should take approximately one year. The legislation only provides the time limit for the formal examination (one month from the application's filing date) and does not define the maximum time frame for substantive examination.

The costs consist of the filing fee (paid according to the receiving office's fees schedule) and the substantive examination fees (paid according to national offices' fees schedules).

As for the circumstances that would increase the estimated time and cost of filing a trademark application and receiving a registration, there are no definite guidelines at this point, owing to the lack of practice.

Classification system

11 | 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?

The Nice Classification valid at the filing date is applied. Multi-class applications are allowed.

Examination procedure

12 | What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

Each trademark application will undergo preliminary (formal) and substantive examination, with the entire registration procedure estimated to take approximately one year.

The receiving office is to complete the formal examination within one month of the filing date. If formal requirements are met, a decision establishing the application’s filing and priority dates should follow, as well as the publication of the trademark on the Eurasian Economic Commission’s website. Should the receiving office find deficiencies in the application, it issues an office action, to which the applicant must respond within three months (extendable up to an additional three months, provided an extension request is submitted no later than five days prior to the deadline to respond).

Next, each EAEU member state is to conduct separate substantive examinations. The applicant will be invited to pay the official fees for the substantive examination according to the payment requests sent by the national offices. If the official examination fees are not paid to each national office within a month, the receiving office will reject the trademark application. If the official fees are paid, the receiving office will forward the application to other national offices. However, all future correspondence with regard to the application is handled through the receiving office only, which will issue a decision based on the examination reports provided by the national IP offices. Again, the receiving office can be any of the national offices of the EAEU member states.

The substantive examination is to be conducted within six months of the date that the receiving office sends the application materials to national offices. During this time, the national trademark offices examine an application as to the absolute and relative grounds of refusal.

Any interested person may file an opposition within three months of the publication date of the application. The receiving office should inform the applicant about the filed opposition and publish it on the official website within five working days after expiry of the three-month period. The applicant can file a response to the opposition within three months of being informed of it by the receiving office.

After the substantive examination is completed, each national trademark office sends its opinions to the receiving office. If no opinions are issued within six months, the national offices forfeit their right to refuse the trademark registration.

The receiving office will gather all national reports and issue a grant decision or an office action no later than 15 working days after the expiration of the six-month period. A response to the office action can be filed within the next three months (a three-month extension is possible upon applicant’s request). The response should be sent through the receiving office to the national offices for further consideration.

National offices must make a decision within one month, which can be appealed before relevant national appeal bodies. The appeals are to be considered within three months. If no appeal is filed within this time limit, the receiving office issues the final decision. If the appeal is filed in any member state, the receiving office waits until the appeal is considered and decided on by the national bodies.

The receiving office can issue the following types of final decisions upon substantive examination of the application:

- a grant, if all national offices believe that the mark can be registered;
- a grant in respect of some goods or services, if at least one national office has refused the mark for certain goods or services; or

- a refusal, if at least one national office is against trademark registration in respect to all claimed goods or services.

In the case of a grant decision, the registration fee should be paid to the receiving office within one month of the date of the decision’s receipt.

Before the issuance of the final decision, the applicant may opt to convert the EAEU trademark application into national applications, keeping the EAEU application priority date. A national office should not charge an official fee for the conversion and examination of a new national trademark application. The same applies if the applicant has identical national trademarks in all EAEU member states – it can convert the national trademarks into the EAEU trademark.

A letter of consent is accepted, provided it:

- clearly identifies the mark for which it is granted;
- is irrevocable;
- contains information on the signatory;
- contains the list of goods and services for which the consent is granted; and
- is stamped (if applicable in the signatory’s country).

If the letter of consent is signed by a proxy holder, a power of attorney from the applicant authorising the proxy holder (intermediary) to act on his or her behalf should be provided in addition to the power of authority that authorises the local counsel or representative to act on the applicant’s behalf.

Use of a trademark and registration

13 | 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?

There is no requirement to claim use of a trademark before the mark is registered.

It is possible to claim priority under the Paris Convention, exhibition priority and international registration priority.

The non-use grace period is three years from the registration date in the EAEU Trademark Register. It will be sufficient to prove use in one country only (eg, Russia) to keep the trademark in force in all other member states. Evidence of use may be submitted by the right holder, a registered licensee, or any other person authorised to use the trademark in question.

Markings

14 | 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?

This issue is not addressed in the legislation.

Appealing a denied application

15 | Is there an appeal process if the application is denied?

Currently, the law only regulates the appeal of the decision following substantive examination – once the national offices make a decision, it can be appealed before relevant national appeal bodies. The appeals are to be considered within three months. If no appeal is filed within this time limit, the receiving office issues the final decision.

The legislation does not address the issue of appealing the final refusal decision.

Third-party opposition

16 | 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?

Third-party observations may be submitted to the receiving office within three months from the publication of the application. The receiving office must publish the observations and inform the applicant within five working days. The applicant may respond to the observations within three months.

A registered trademark may be invalidated or cancelled on the following grounds:

- non-distinctiveness;
- descriptiveness;
- undermining public order and morality;
- misleading as to the goods, their origin or manufacturer;
- comprising states' official symbols and names of cultural heritage objects;
- certification marks;
- commercial names;
- confusing similarity to a literary, artistic or scientific work (or a character or citation thereof), which is known in a member state and used without the author's consent;
- name, facsimile, pseudonym, name or the derived names of a person known in a member state and used without the consent of this person, his heirs or representatives;
- confusing similarity to a prior industrial design in a member state;
- relative grounds (confusing similarity to earlier trademarks and appellations of origin) – within the five-year limitation period;
- the registration constitutes abuse of rights or unfair competition under a valid decision of a competent body; and
- non-use for three or more consecutive years – a cancellation action may be filed after the three-year period ended counting from the registration date.

National trademark offices, courts and interested third parties notify the receiving office of the cancellation or invalidation decision. The receiving office then transmits the information to all member states and updates the register.

Duration and maintenance of registration

17 | 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?

The validity term of the EAEU trademark is 10 years from the application date, and it can be extended for an unlimited number of additional 10-year periods. The renewal request along with the fee payment for each of the member states, according to the national schedule of fees, should be submitted within the last year of the validity term.

As any interested third party may cancel the trademark on the grounds of non-use, it is important to prove its subsequent use within three years in any member state.

Surrender

18 | What is the procedure for surrendering a trademark registration?

The right holder may surrender the trademark during the whole period of its validity by submitting a relevant request to the receiving office (electronically or on paper). The receiving office will consider the request within 15 working days and issue a decision or an office action (if the request does not meet the formal criteria and should be refiled).

Related IP rights

19 | Can trademarks be protected under other IP rights (eg, copyright or designs)?

The law covers only trademarks and appellations of origin.

On 9 September 2019, the Eurasian Patent Organization member states adopted the Protocol on the Protection of Industrial Designs to the Eurasian Patent Convention, introducing the Eurasian system of protection for industrial design patents, along with the already existing regional protection for inventions.

Trademarks online and domain names

20 | What regime governs the protection of trademarks online and domain names?

The law does not contain such information.

LICENSING AND ASSIGNMENT

Licences

21 | May a licence be recorded against a mark in the jurisdiction? How? Are there any benefits to doing so or detriments to not doing so? What provisions are typically included in a licensing agreement (eg, quality control clauses)?

The Eurasian Economic Union (EAEU) trademark may be licensed (with the exception of collective EAEU trademarks). The licence should be recorded with one of the trademark offices where the mark is licensed. The national legislation of a member state applies, including the amount of the official fee.

The information on recorded licences is published in the EAEU Trademark Register. The licence agreement must be recorded for the licence to be effective. The consequences of a breach of a trademark licence agreement are determined according to national legislation of member states.

Assignment

22 | What can be assigned?

The legislation envisages the assignment of a trademark (except for a collective EAEU mark). The trademark may be assigned in respect of a full list of goods and services or only part thereof, provided the assignment applies to all member states.

Assignment documentation

23 | What documents are required for assignment and what form must they take? What procedures apply?

The registration of the assignment is governed by the national legislation of the receiving trademark office.

Validity of assignment

24 | Must the assignment be recorded for purposes of its validity?

Yes, it must be recorded to be valid.

Security interests

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

Yes, security interests are recognised and accepted. They should be recorded in a receiving trademark office according to its national legislation.

ENFORCEMENT

Trademark enforcement proceedings

26 | 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?

In Russia, civil, administrative and criminal proceedings are available. There is a specialised IP Court, considering certain IP cases as a court of first instance (non-use cancellation actions, invalidation of IPO's decisions) and certain cases as a cassation instance (infringement actions, for instance). The Federal Antimonopoly Service (FAS) considers unfair competition cases (administrative proceedings) as a court of first instance. The FAS's decision can be appealed at the IP Court. The Criminal Code stipulates liability for the infringer for the illegal use of a trademark, if the illegal act has been committed repeatedly or has caused substantial damage (more than 250,000 roubles).

In Belarus, civil, administrative and criminal actions are also possible. Trademark-related civil disputes are considered by a special IP Board of the Supreme Court, which acts as both the first instance and supervisory authority. Administrative and criminal cases are considered by local first-instance courts; the decisions can be appealed. The Criminal Code of Belarus provides for criminal liability for infringement of industrial property rights, including trademarks.

In Kazakhstan, civil, administrative and criminal actions are also available. IP disputes are considered by the court of general jurisdiction, as there is no specialist IP court. Article 222 of the Criminal Code provides for criminal liability for trademark infringement. On 26 December 2019, the president of Kazakhstan signed Decree No. 229, limiting the administrative actions that IP rights owners can take against small businesses suspected of IP rights infringement. As a result, the suspension of police actions such as raids of premises suspected of storing counterfeit goods took effect on 1 January 2020 and will continue until 1 January 2023. The Kazakh government explained that the measures are designed to support small local enterprises. However, the change has a negative impact for trademark owners, because raids were the main tools used in securing evidence against counterfeiters. The inspections can still be conducted under certain circumstances, but all inspections related to IP rights, specifically trademark rights infringement, have been completely banned.

In Armenia, there are also civil, administrative and criminal proceedings available. Filing a lawsuit with a civil court of general jurisdiction is the most common route. No specialist IP court exists. Alternatively, a right holder can file a complaint with the competition authority – the State Commission for the Protection of Economic Competition,

a specialist administrative body handling unfair competition cases, including trademark infringement by causing customer confusion or dilution. The Commission's cases are usually widely reported in the media, which is good for deterring other infringers. In accordance with the Criminal Code, the illegal use of a trademark entails criminal liability only if it caused substantial damage (in excess of 200,000 dram).

In Kyrgyzstan, civil and criminal actions are available. There is no specialist IP court, but unfair competition actions are considered by a specialist anti-monopoly body. The Criminal Code provides for criminal liability for trademark infringement.

Procedural format and timing

27 | What is the format of the infringement proceeding?

In all five member states of the Eurasian Economic Union (EAEU), civil infringement proceedings start with the collection of evidence and taking action before the competent court. Sending a cease-and-desist letter is obligatory in Russia if damages are claimed. The parties must secure the evidence themselves. The decision is issued by the judge or a panel of judges on the basis of the evidence. Live testimony and expert witnesses may be used.

Administrative and criminal proceedings start with the right holder reporting the infringement and providing evidence sufficient to prove the existence of the infringement. The competent authority then investigates the infringement and obtains possible counter-arguments from the infringer. The decision is issued by a judge or panel of judges, depending on the local law.

The duration of first-instance proceedings depends on multiple factors, such as the type of proceedings and the jurisdiction, but the following may serve as guidelines:

- Kazakhstan – approximately three months (civil, administrative and criminal);
- Russia – four to eight months (civil); approximately one year (administrative); one to two years (criminal);
- Belarus – up to one year (civil); up to three months (administrative and criminal);
- Armenia – up to seven months (civil); three to four months (administrative); and
- Kyrgyzstan – approximately one month (civil, provided that no forensic expertise is needed).

Burden of proof

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

In a civil case, each party to the dispute must prove its arguments. In administrative and criminal proceedings, the obligation to prove the existence of grounds for administrative or criminal responsibility and the defendant's guilt rests on the official body, normally police authorities. This is true for all five member states.

Standing

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

In all five member states, a trademark holder may seek a remedy for an alleged trademark infringement. The licensee may do it only if it is stipulated by the licence agreement (normally it is an exclusive licence).

Criminal and administrative proceedings may be initiated on the basis of a complaint filed by any person or on the basis of information received by the police themselves. In such cases, the trademark owner can be involved as an injured party.

Border enforcement and foreign activities

30 | What border enforcement measures are available to halt the import and export of infringing goods? Can activities that take place outside the country of registration support a charge of infringement or dilution?

All EAEU member states have adopted the EAEU Customs Code, under which it is possible to record trademark rights with the customs authority of each member state for an unlimited number of renewable two-year periods. If any imported or exported goods are believed to be infringing, the customs authorities will detain the goods and immediately notify the right holder. The right holder normally has 10 days to either release or seize the shipment. This can be extended for an additional 10-day period upon the right holder's request (not applicable to Kazakhstan, where the extension is possible only if a right holder has filed an infringement claim). The simplified procedure for the destruction of seized goods without initiating a court proceeding is not available.

Activities that take place outside the country of registration cannot support a charge of infringement or dilution.

In Armenia, within three calendar days after the suspension of goods, the right holder must pay a security deposit to the customs authority equal to 5 per cent of the customs value of the goods. The deposit will be used as an indemnity for potential losses and to cover warehousing and disposal fees. The right holder should then obtain a preliminary injunction from the civil court within 10 working days after the suspension; otherwise, customs authorities will release the goods. This 10-day period can be extended by an additional 10-day period, by filing proof that a court action has been filed.

After granting the preliminary injunction, the court will examine the issue substantively. If the court rules that the goods are indeed infringing, they will be destroyed. If it rules that the goods are genuine, they will be released, and the security deposit will be returned after a deduction of costs. Detention of goods in transit and of goods conveyed by natural persons for personal use is not available, including goods delivered by post or courier.

Discovery

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

The legislation does not provide for discovery proceedings. The parties to the dispute should collect the evidence themselves. A person participating in the case who cannot obtain the necessary evidence from another person in possession of it may file a motion for the court to order the presentation of the evidence. The evidence can be accepted by the court if it was obtained in accordance with the law.

Timing

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

In Armenia, civil proceedings typically take five to seven months to obtain a decision from the court of first instance. The decision enters into force after one month if no appeal is filed. Administrative proceedings before the competition authority usually take three to four months.

In Kazakhstan, first-instance civil proceedings take up to three months, second-instance (appeal) proceedings approximately one month and cassation proceedings approximately one month.

In Belarus, the Supreme Court's IP Board considers the cases as both the first and second instance court. In the first instance, the typical time frame is up to one year, and in the second instance, up to three months.

In Russia, the time frame is usually four to eight months for the first-instance civil proceedings and around three months for administrative proceedings.

In Kyrgyzstan, the time frame is about two months per instance.

Limitation period

33 | What is the limitation period for filing an infringement action?

The statutory limitation period is three years from the occurrence of infringement in all five member states.

Litigation costs

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

The cost varies from €8,000 to €20,000 for first-instance proceedings. A successful plaintiff can recover costs, depending on the court's ruling. However, the courts often reduce the recoverable costs.

Appeals

35 | What avenues of appeal are available?

Normally, the decision of the first-instance court can be further appealed at appeal and cassation instances.

Defences

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

A defendant can claim exhaustion of rights (if the products are authentic), challenge the evidence and try to prove the absence of the infringement. In Russia, for instance, a defendant can claim the abuse of rights, but it should be a well-reasoned claim. Finally, a defendant can file a non-use cancellation action, but it will not necessarily be considered by the same court within the same proceeding. For instance, in Russia it would be considered by a different first-instance court, but in Armenia it would be the same court.

Remedies

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

In Armenia, the civil court can impose preliminary and permanent injunctions preventing further infringement. Other remedies available are:

- recovery of actual damages, defendant's profits and attorney's fees;
- publication of the court's decision with the aim of restoring goodwill of the injured party; and
- removal of the infringing sign from the goods or packaging or destruction of the goods if such removal is not possible.

During administrative proceedings, the competent authority can impose permanent injunctions and statutory damages in the amount of up to 1 per cent of infringer's annual revenue. In accordance with the Criminal Code, the illegal use of a trademark entails criminal liability for the infringer only, if it caused damage in excess of 200,000 dram. The penalty can be a 500,000 to 1 million dram fine or imprisonment of up to three months.

In Kazakhstan, the remedies available to a claimant in a civil proceeding include:

- recognition of rights;
- restoration of the situation that existed before the violation of the law;
- suppression of actions violating the law or creating a threat of its violation;

- recovery of damages;
- invalidating the disputed transaction and applying the consequences of its invalidity, applying the consequences of the invalidity of a void transaction;
- compensation for non-pecuniary damage;
- termination or change of legal relations;
- invalidation of an act of a public administration body or a local representative or executive body that is not in accordance with the legislation; and
- collection of a fine from a state body or official for obstructing a citizen or legal entity from acquiring or exercising a right.

In Belarus, a claimant can request the following:

- injunctive relief;
- the removal of the trademark and destruction of counterfeit goods, labels and packaging at the defendant's expense; and
- monetary claims (up to €500,000).

Criminal remedies include fines, arrest, custodial restraint and imprisonment.

In Kyrgyzstan, the following remedies are available in civil proceedings:

- damages;
- seizure and destruction of counterfeit goods; and
- the publication of a court decision.

Criminal remedies include fines, community service and a payment that is divided between a trademark holder and the state.

In Russia, the following remedies are available under the Civil Code:

- court injunction;
- removal of the trademark and destruction of counterfeit goods, labels and packaging at the defendant's expense;
- monetary claims (recovery of losses or statutory damages in the amount of 10,000 to 5 million roubles, or double the value of counterfeit goods or double the costs of a licence); and
- the publication of the court's decision.

Illegal use of a trademark under the Administrative Code of Offences could result in a fine and confiscation of counterfeit goods. Criminal remedies include a fine, forced or correctional labour, or imprisonment.

ADR

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

In Armenia, Kazakhstan, Kyrgyzstan and Russia, mediation, arbitration and negotiation are available. In Belarus, protection and enforcement of intellectual property rights is under the exclusive jurisdiction of the state, so it is not possible to use ADR techniques in IP disputes.

UPDATE AND TRENDS

Key developments of the past year

39 Are there any emerging trends, notable court rulings, or hot topics in the law of trademark infringement or dilution in your jurisdiction?

Armenia's national trademark law provides for international exhaustion of trademark rights, and parallel import of genuine products is widespread. However, according to the Eurasian Economic Union (EAEU) Treaty, member states should apply the principle of regional exhaustion. The national law will be amended, but several court cases have already been initiated by right holders, arguing that they can already



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prevent parallel imports arriving from outside of the EAEU into Armenia. In a recent precedent, a car manufacturer was successful with this line of argument in a first-instance court. The issue has not yet been tested in higher courts.

In Kyrgyzstan, on 1 January 2019, the new Code on Administrative Offences entered into force. Administrative liability for trademark infringement was removed from the new Code.

On 26 December 2019, the president of Kazakhstan signed Decree No. 229, limiting the administrative actions that IP rights owners can take against small businesses suspected of IP rights infringement. As a result, the suspension of police actions such as raids of premises suspected of storing counterfeit goods took effect on 1 January 2020 and will continue until 1 January 2023. The Kazakh government explained that the measures are designed to support small local enterprises. However, the change has a negative impact for trademark owners, because raids were the main tools used in securing evidence against counterfeiters. The inspections can still be conducted under certain circumstances, but all inspections related to IP rights, specifically trademark rights infringement, have been completely banned.

Coronavirus

40 What emergency legislation, relief programmes and other initiatives specific to your practice area has your state implemented to address the pandemic? Have any existing government programmes, laws or regulations been amended to address these concerns? What best practices are advisable for clients?

The covid-19 pandemic has not affected the unified EAEU IP system, the implementation of which is expected by the end of 2020.

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