

Trademarks

in Russia

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LEGAL FRAMEWORK

Domestic law

What is the primary legislation governing trademarks in your jurisdiction?

These are:

- the Civil Code of the Russian Federation;
- the Madrid Agreement and Protocol;
- administrative regulations relating to trademarks;
- the Criminal Code;
- the Code on Administrative Offences; and
- the Law on Protection of Competition.

International law

Which international trademark agreements has your jurisdiction signed?

These are:

- the Paris Convention;
- the Madrid Agreement and Protocol;
- the Singapore Treaty;
- the Trademark Law Treaty; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights.

Regulators

Which government bodies regulate trademark law?

The Federal Service on Intellectual Property (usually referred to as the Patent Office).

REGISTRATION AND USE

Ownership of marks

Who may apply for registration?

The Russian Civil Code says that a trademark may belong to a legal entity or an individual entrepreneur. Also, the legislation foresees the possibility of registering a collective mark. Collective marks are defined as trademarks owned by an amalgamation of entities used to designate goods that are produced or sold by the members of this amalgamation, provided those goods possess common characteristics of quality or other characteristics.

Scope of trademark

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

According to the Civil Code, a trademark is 'a designation serving for individualising goods of legal entities or individual

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entrepreneurs' (article 1,477). Any protectable word, design, slogan, sound, symbol, etc, could serve as a trademark that identifies goods or services. The list of signs that may function as trademarks is open, which allows for registration of non-traditional marks. Article 1,482 of the Civil Code provides that verbal, pictorial, three-dimensional and other indications or their combinations may be registered as trademarks. A trademark may be registered in any colour or colour combination. The wording 'other indications' confirms that the law is quite liberal in this regard.

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

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

Unregistered trademarks

Can trademark rights be established without registration?

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

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

Famous foreign trademarks

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

In Russia a trademark can enjoy protection as a well-known mark that may not necessarily be a registered designation. Russian legislation foresees the procedure of recognition of a well-known trademark. In Russia, unlike in many other countries, a trademark is not granted well-known status as a result of court proceedings or litigation. According to Russian trademark legislation, for a trademark to be recognised as well known, the appropriate request should be filed with the RPTO.

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

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

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recognise the trademark as well known; and

- the commercial value of a well-known trademark is higher than that of an ordinary trademark.

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

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

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

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

Practice shows that it is recommended that evidence of use of the trademark in Russia be submitted in support of the petition recognising a trademark as well known. Special attention should be paid to the opinion poll results. Such polls must be carried out in at least six of Russia's largest cities, including Moscow and Saint Petersburg. Other cities may be chosen by the applicant, depending on the sphere of activity and the regions of trademark use.

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

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

As of July 2019, there were 208 well-known trademarks published in Russia, including Nike, Coca-Cola, Disney, Tiffany, Intel, Gallup Institute, Adidas, Gillette, Nikon, Elle, Heinz, Casio, Red Bull, Marlboro, Nissan, Pepsi and ZARA.

The benefits of registration

What are the benefits of registration?

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

Filing procedure and documentation

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?

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

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

According to administrative regulations, one electronic print of a trademark in high resolution (in the case of a device mark) should be submitted. Electronic filing is available.

A pre-filing trademark search is not obligatory. It depends on the applicant's brand registration and protection strategy. If the applicant is going to use the mark only after obtaining registration, the search is not necessary (however, conducting the search could give information regarding possible citations of prior marks). If the applicant is going to use the mark after the filing but before the registration, the search is strongly recommended to determine if third parties' rights could be infringed.

Official and agent's fees for official search requests from the RPTO

Word mark

- One month: official fee – 4,130 roubles (1,062 roubles for each additional class); agent's fee – ordering the search, US\$200 (per trademark independently of a number of classes); commenting and advising on search results – US\$320 per hour;
- two weeks: official fee – 8,260 roubles (2,124 roubles for each additional class); agent's fee – ordering the search, US\$200 (per trademark independently of a number of classes); commenting and advising on search results – US\$320 per hour;
- seven to nine days: official fee – 12,390 roubles (3,186 roubles for each additional class); agent's fee – in the case of an urgent search (one- or three-day search), the fee will increase by 50 per cent;
- three days: official fee – 24,780 roubles (6,372 roubles for each additional class); agent's fee – in the case of an urgent search (one- or three-day search), the fee will increase by 50 per cent; and
- one day: official fee – 49,560 roubles (12,744 roubles for each additional class); agent's fee – in the case of an urgent search (one- or three-day search), the fee will increase by 50 per cent.

Graphical mark

- One month: official fee – 8,260 roubles (1,770 roubles for each additional class); agent's fee – in the case of an

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- urgent search (one- or three-day search), the fee will increase by 50 per cent;
- two weeks: official fee – 16,520 roubles (3,540 roubles for each additional class); agent's fee – in the case of an urgent search (one- or three-day search), the fee will increase by 50 per cent; and
- seven to nine days: official fee – 24,780 roubles (5,310 roubles for each additional class); agent's fee – in the case of an urgent search (one- or three-day search), the fee will increase by 50 per cent.

Search through the firm's resources

- Conducting a search (per trademark independently of a number of classes) – US\$100; and
- commenting and advising on search results – US\$320 per hour.

Registration time frame and cost

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?

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

- the official filing receipt is issued within one month of the date of filing an application or sooner;
- the official action is issued within about seven to eight months of the date of filing the application (possible examiner's objections may increase the registration period to about one-and-a-half to two years, depending on the circumstances of the case, number of appeal stages, etc); and
- where the trademark is successfully registered, the registration certificate is issued within two months of the date of payment of the official fee for registration.

In 2018, the RPTO introduced an accelerated trademark registration procedure as follows.

- Electronic filing of a trademark application (formal examination), lasting up to one month: official fee – 2,450 roubles (700 roubles for each additional class over five); attorney's fee – US\$500;
- the substantive examination, lasting about seven to eight months: official fee – 8,050 roubles (1,750 roubles for each additional class up to five);
- a straightforward prosecution registration: official fee – 11,200 roubles (700 roubles for each additional class over five); attorney's fee – US\$320; and
- the issuing of a trademark certificate (within two months): official fee – 1,400 roubles; attorney's fee – US\$300.

Discounted official fees are available in the case of electronic filing.

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

Classification system

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

When filing an application to register a trademark, it is necessary to state the list of goods and services for which the trademark protection is sought. The goods and services are to be identified using precise and clear-cut wordings reflecting their nature. The wordings must be classified using the Nice Classification (11th edition) requirements, depending on the nature of goods and services and their purpose. Several classes can be claimed in one trademark application or additional classes added during the examination of the application. The goods applied for can be transferred to new classes provided such changes to the list and reclassification do not widen the scope of the protection that was initially requested. The possibility of filing multi-class applications allows filing costs to be saved.

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

Examination procedure

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

The examination in Russia consists of formal and substantial stages. A formal examination of a trademark application is usually carried out within one month of the application being filed, or even faster. During the formal expert examination, the presence of the necessary application documents and their compliance with established requirements is verified. According to the results of the formal examination, the application will either be accepted or refused for consideration.

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

Absolute grounds are those that concern the substance of the mark itself, and include:

- lack of distinctiveness;
- risk of misleading and capability of confusing;
- confusing similarity to or identity with state symbols and marks;
- reproduction of full or abbreviated names of international or intergovernmental organisations or their symbols; and
- reproduction of the official names or images of the most valuable objects of Russia's and worldwide cultural heritage.

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The relative grounds for refusal include:

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

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

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

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

A registration decision for all the applied goods necessitates payment of the registration fee to have the mark registered. If the mark has been partially accepted for registration, there are then two options for the applicant: either to pay the registration fee to have the mark registered for the accepted goods or to appeal against this decision with the Chamber of Patent Disputes (a division of the RPTO). An appeal against the rejection may be filed with the RPTO within four months of the date of dispatch of the decision to the applicant. The decision that results from consideration of the appeal at the Chamber of Patent Disputes may be further disputed with the Intellectual Property Rights (IPR) Court.

Use of a trademark and registration

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

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

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

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

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

international treaties of the Russian Federation.

Article 1,486 of the Civil Code implicitly provides for mandatory use of a registered trademark as a condition of keeping the right for such a trademark, even though the Code does not directly point out that the owner of a trademark must use the trademark. The legal protection of a trademark may be terminated in respect of all the goods and services or part of the goods and services for which the trademark has been registered owing to continuous non-use for any three years after its state registration. A lawsuit for early termination of the legal protection of a trademark owing to its non-use may be filed with the IPR Court by an interested person upon the expiry of those three years, provided that a pretrial procedure is observed. Further to the requirements of the law, it is mandatory for a claimant to send a pretrial proposal to the rights holder asking him or her to either voluntarily abandon the trademark or assign the same with respect to all or part of the goods or services to the claimant before filing a non-use cancellation action. If the rights holder does not comply with this demand (ie, neither abandons the trademark nor assigns it to the claimant) within two months starting from the date the proposal was made, a non-use cancellation action can be filed with the IPR Court within 30 days from the expiry date of the two-month term. If a non-use cancellation action is not filed within the prescribed term, a new pretrial proposal can be made three months after the previous pretrial proposal was made.

Markings

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

Under article 1485 of the Russian Civil Code, the trademark owner, for giving notice of his or her exclusive right to a trademark, shall have the right to use the symbol of protection, which shall be placed alongside the trademark and consist of the Latin letter R, or the Latin letter R in a circle ®, or the verbal indication 'trademark' or 'registered trademark', and that shall indicate that the sign used is the registered trademark protected on the territory of the Russian Federation. It is illegal to use such symbols with respect to non-registered designations and this may entail criminal liability under paragraph 2, article 180 of the Criminal Code.

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

Appealing a denied application

Is there an appeal process if the application is denied?

There is an administrative appeal process if an application is denied. The Civil Code foresees the possibility of appealing against a rejection with the Chamber of Patent Disputes, which is a division of the RPTO. An appeal may be filed within four months of the date of dispatch of the decision to the applicant. The RPTO's decision resulting from consideration of the appeal at the Chamber of Patent Disputes may be further disputed in the IPR Court. The appeal deadline may be missed and reinstated within six months provided the reasons for missing the deadline are explained by the applicant.

Third-party opposition

Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a

bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

The Civil Code provides that:

- the RPTO should publish information on the filed trademark applications;
- third persons have the right to review all trademark documents on file and not only those comprising the original trademark application's filing; and
- third persons have the right to submit to the RPTO their observations against pending trademark applications before official action is taken. Such written observations may be taken into account by the examiner during the examination, but this quasi opposition process is not competitive.

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

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

Duration and maintenance of registration

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

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

Surrender

What is the procedure for surrendering a trademark registration?

The respective request should be filed with the RPTO. Appropriate power of attorney should be submitted. There is no official fee for this procedure.

Related IP rights

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

If a trademark is a result of creative work, it can be protected as a subject-matter of copyright. Also, sometimes it is possible to obtain an industrial design patent for a trademark if it meets the requirements of novelty and originality. For instance, an original shape of a product can be protected as a three-dimensional trademark or industrial design as well

as a work of design protected by copyright.

Trademarks online and domain names

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

According to the Civil Code (articles 1,229 and 1,484) it is not permissible to use a trademark on the internet, including in domain names and for other means of addressing without the permission of the trademark owner. Illegal use of a trademark in a domain name shall entail liability.

LICENSING AND ASSIGNMENT

Licences

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)?

Under Russian law, the granting of the right to use a trademark under the licence agreement must be recorded at the Russian Patent and Trademark Office (RPTO). Without such registration, the licence is not considered granted and the parties cannot refer to the licence in relation to third parties. The registration can be done through filing the licence agreement or excerpt from the same with the RPTO, or by filing a notification form (Statement of Licence) that must be signed by the parties as a separate document containing a minimal piece of information, including the names of the parties, the type of licence (exclusive, non-exclusive or sub-licence), ways of use (eg, on signboards, in sales and on websites) and the subject of the licence, along with the number of the trademark certificate. No financial or other sensitive confidential contractual data must be disclosed in such a notification. Besides the above-mentioned information, typical provisions of a licence agreement may include quality control clauses, liability for breaching the contract and applicable law.

Assignment

What can be assigned?

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

Assignment documentation

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

The assignment of a trademark must be registered at the RPTO, which makes a relevant record in the Trademark Register.

To register an assignment, the following documents must be submitted with RPTO:

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

Importantly, instead of the above-referenced documents (agreement or excerpt), it is possible to submit the notification form, which must be signed by the parties as a separate document and contain the following information:

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

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

Validity of assignment

Must the assignment be recorded for purposes of its validity?

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

Security interests

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

Security interests are recognised in Russia and are enforceable subject to their being recorded at the RPTO. No notarisation is required for the purpose of the record and simple signing by the authorised representatives of the parties (such as the chief executive officer) is sufficient.

ENFORCEMENT

Trademark enforcement proceedings

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

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

A cease-and-desist letter may be sent (in commercial courts this is optional for non-material claims, but mandatory for material claims such as compensation or damages).

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

- cessation of trademark infringement;

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

Criminal proceedings

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

Administrative proceedings

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

Special administrative procedure

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

Border protection

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

Procedural format and timing

What is the format of the infringement proceeding?

Civil infringement proceedings start with collecting evidence by the rights holder, and drafting and sending a cease-and-desist letter if necessary. In commercial courts (handling disputes between companies and private entrepreneurs – most cases are handled by commercial courts) the cease-and-desist letter stage is optional for non-material claims (eg, cessation of infringement, prohibition on the use of IP subject matter or confiscation of the infringing products and

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equipment used for manufacturing such products). However, since 12 July 2017, it has been mandatory to send a cease-and-desist letter for material claims (damages or compensation) 30 days before filing a civil action with the court. The aforementioned pretrial order is not applicable to cases handled by common courts (handling disputes in which individuals are involved).

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

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

Unfair competition actions are also available, and cases such as illegal use of IP, false advertising, imitation of the products, copycats and so on are handled by the Antimonopoly Authority. It usually takes about three to four months to obtain a decision in an unfair competition case.

Burden of proof

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

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

Standing

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

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

Border enforcement and foreign activities

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?

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

Discovery

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

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

Timing

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

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

If a pretrial order is envisaged by the law as a mandatory stage (eg, for material claims such as damages), the court shall give the plaintiff up to 15 days to send a cease-and-desist letter to the opposite party and up to five days to file a lawsuit upon expiry of the term for pretrial procedures (in particular, 30 days for material claims in IP disputes).

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

Limitation period

What is the limitation period for filing an infringement action?

As a general rule, the limitation period for filing a trademark infringement action is three years from the date the rights holder became aware or should have become aware of the committed infringement.

Litigation costs

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

The typical cost range for handling a trademark infringement case in the first-instance court is about US\$20,000 to US\$25,000. This amount may vary, however, depending on the complexity of the case. The costs for handling the case at

the appeal instances could be within the range of US\$7,000 to US\$15,000 per appeal instance.

Appeals

What avenues of appeal are available?

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

Defences

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

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

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

Remedies

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

What criminal remedies exist?

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

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

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

Trademarks

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

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

Criminal liability

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

- a fine of 100,000 to 300,000 roubles, or the amount of the wage or salary, or any other income of the convicted person for up to two years;
- compulsory work for up to 480 hours;
- corrective labour work for up to two years;
- imprisonment for up to two years with a fine of up to 180,000 roubles; or
- a fine in the amount of a wage, salary or other income of the convicted person for up to six months.

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

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

ADR

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

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

UPDATE AND TRENDS

Key developments of the past year

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

None.

Coronavirus

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?

No special measures have been implemented to address the pandemic. The basic change in the proceedings is that most of the work is being done remotely. Experience shows that remote working does not impair the quality or the ability to meet deadlines in executing clients' instructions. Hence this pattern of work may continue.

LAW STATED DATE

Correct on

Give the date on which the information above is accurate.

11 September 2020.