



SPECIFICS OF TRADEMARK REGISTRATION IN THE CIS COUNTRIES

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Illegal use of trademarks is one of the major issues in the area of protection of rights of trademark owners in the CIS (Azerbaijan, Georgia, Russia, Ukraine, Belarus, Moldova, Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan, Kyrgyzstan) countries. More than thousands of cases related to illegal use of trademarks come out every year.

According to local laws the following actions may constitute illegal use of trademarks:

- import of goods containing trademarks belonging to third parties;
- storage and transportation of goods (containing third party trademarks) with the purpose of further sale or disposal by other means;
- illegal use of trademarks without permission of their owners in the goods offered for sale;



In order to prevent illegal use of trademark, trademark owner must register it. Let's briefly outline the main issues related to trademark registration. Trademark registration process starts from conducting trademark search. Trademark Offices of many CIS countries offer trademark search services. In such a case, trademark search is conducted among registered trademarks as well as pending trademark applications. Where an official trademark search is not available, trademark search is conducted only among registered trademarks.

If as a result of trademark search no identical or similar marks have been revealed all necessary documents are prepared and filed to Patent Office for trademark registration.

An application for trademark registration passes through two-stage process. In the first stage, which is called formal examination, all information and documents are being scrutinized by Trademark Office. If all the requested documents are in compliance with the laws, Patent Office issues document confirming that application materials passed through a formal examination. This stage normally takes from 1 to 3 months depending on a country.

In the second stage, specialised officers – examiners at Trademark Office check compliance of application materials to the strict requirements of the local laws. This stage takes much longer time than a formal examination and may take up to 36 months depending on a country. In order to obtain registration certificate, it is required to proceed with payment of state fees promptly within the deadline set by local laws.

Only upon receipt of payment Trademark Office issues registration certificate and proceeds with publication of information about registered trademark at the next edition of trademark bulletin. Failure to pay before expiration of deadline results in application materials being withdrawn by Patent Office. However, it is possible to extend the payment deadline by filing relevant application and payment of additional state fee.

Many trademark owners wrongly believe that receipt of registration certificate is the final stage for protection of their trademark in the relevant jurisdiction. In fact, there are certain issues which must be taken into account after registering a trademark and obtaining registration certificate.

Firstly, registration certificate is only issued for 10 years and it is required to prolong it every 10 years. It is necessary to check expiration date and proceed with timely payment of relevant fees. Failure to pay before expiration of deadline results in termination of trademark's protection in the relevant jurisdiction.

Secondly, it is crucial to monitor market in the areas in which a trademark can be used. It is worth watching new trademarks which are registered in the countries where a trademark owner is doing business. Specialised IP firms (including Efendi Law Firm) offer "market watching services" and they may timely alarm you about new marks (similar to your trademarks) coming out in the market.

Finally, the local laws provide that trademarks must be used after registration at Trademark Office. Otherwise, legal protection of trademark can be cancelled before expiration of 10 years term if the trademark's owner had not used it uninterruptedly within three or five years since the registration date (term varies depending on jurisdiction). Many factors will be taken into account by Trademark Office when deciding whether the particular trademark had been in use or not (publication of trademark in newspapers, magazines, advertising materials etc.). One of the specifics of non-use disputes is that the burden of prove lies on trademark's owner. It is a trademark's owner who has to prove that the trademark had been in use, not the other way round.

The trademark practice in the CIS states shows that trademark registries are overwhelmed with either non-used trademarks or with trademarks that are used only for certain classes compared to those in which they had been registered. The principle of "must-use your trademark" is directed on solving this issue and encouraging trademark owners either using their trademarks in all classes designated in trademark application or refraining from registering trademarks in numerous classes and subsequently using only a few of them.

It is vital to underline the importance of trademark registration before start using trademark in a particular country. Let me to bring your attention to one case related to violation of trademark's owner in Russia.

The question related to use of "Paclan" trademark had been considered for a long time in various state authorities (Appeal Palate of Russian Patent) and Arbitration Courts (Arbitration court of Moscow, High Arbitration Court of Russian Federation).

European holding "Paclan" owns three companies in Belgium, Holland and Germany. These companies are involved into production and sale of household goods. In 1992 Paclan represented its goods at the Russian exhibition "KonsumExpo - 92". Paclan remained satisfied with the results of the exhibition and saw further opportunities for its business in Russia. Paclan's goods

were introduced to the Russian market and the business was booming. Paclan felt a need to register its trademark in Russia and the Belgian office of Paclan filed an application for registration of Paclan trademark to Russian Patent Office in June 1992. However, the Russian Patent Office rejected the application based on the ground that application for a registration of identical mark had been already filed to RosPatent by other entity. The applicant was unknown Russian company which did not have any connection to Paclan holding. The Russian company wanted to register Paclan mark in Russia in the same classes in which Paclan holding intended to use its trademark. The most interesting point was that the applicant in this case was a Russian firm specialising in provision of patent and trademark registration services. The obvious question arises why a firm offering patent and trademark services would be interested in registration of trademark related to production and trade of polyethylene and foil? In fact, a Russian firm got information about forthcoming plans of a major western company to enter the Russian market. They were aware that a new player in the market had not registered its trademark in Russia yet. Therefore, Russian firm filed documents to Russian Patent Office for registration of trademark identical to the trademark of Paclan. The reason was to compel Paclan to purchase rights for its own trademark from Russian entity which had already been owner of Paclan's trademark in Russia. Although, there is no established court practice for these type of cases in Russia, such deeds are far away from acceptable norms of international trade law. Even in Russia, the local laws can recognize such actions as "abuse of rights" and the court can rule on recognition of such illegal actions as unfair competition actions.

In conclusion, it is crucial for trademark owners to trust their trademarks to professional patent and trademark attorneys who would advise them about specifics of trademark use and trademark registration in the particular jurisdiction. As it was shown above, it is important to register trademark prior to start using it in the particular market. This will help preventing other dishonest third parties to register particular trademark on their own name. In addition, trademark owners must be conscious about what happens after the trademark registration. If it is required, trademark owners must proceed with timely actions which would be deemed as "use" of trademark according to local laws and, thus, prevent potential non-use actions against their trademarks. It is also wise to monitor market and timely bring actions against unfair entrepreneurs which abuse marks belonging to legal owners.

Literature:

1. The Law on Trademarks and Geographical Indications of Republic of Azerbaijan dated June 12 1998;
2. The Law of Trademarks and Service Marks of Republic of Belarus dated 5 February 2003;
3. The Law of Trademarks and Service Marks of Republic of Kazakhstan dated 26 July 1999;
4. The Law of Trademarks and Service Marks of Republic of Kyrgyzstan dated 28 January 1998;
5. The Law on Trademarks of Republic of Georgia dated 5 February 1999;
6. The Civil Code of Russian Federation – Part IV dated 24 November 2006, in force from 1 January 2008;
7. Resolution of Presidium of the Highest Arbitration Court of Russian Federation N 225/96, dated 15 October 1996.