

Pre-trial Procedure for Intellectual Property Disputes

July 4, 2017

We would like to inform you about adoption of the Federal Law dated July 1, 2017 “On Amendments to Articles 1252 and 1486 of the 4th part of the Civil Code of the Russian Federation and Articles 4 and 99 of the Arbitrazh Procedural Code of Russia” that enters into the force on July 11, 2017. The amendments relate to pre-trial procedure for resolving intellectual property disputes.

1. Pre-trial procedure for protection of the exclusive rights

Pre-trial procedure will apply to the disputes on infringement of exclusive rights, if they involve monetary claims on either compensation of damages or other compensations and if the dispute falls into scope of the jurisdiction of the Russian arbitrazh courts (disputes between legal entities or individual entrepreneurs).

The right holder will need to send a pre-trial claim to the infringer and will be able to apply to the court only upon either complete or partial refusal of the other party to satisfy the pre-trial claim, or failure to receive a response within 30 days from the date of forwarding the pre-trial claim, unless another term is stipulated in the agreement between the right holder and the infringer.

2. Pre-trial procedure for claims on early termination of trademark protection

Legal protection of a trademark may be early terminated for all goods/services or part of goods/services it is registered for due to the trademark’s non-use continuously within any three years’ time since its state registration.

Upon expiry of the three – years’ period the interested party may suggest the trademark right holder to apply to the Rospatent with an application for a waiver of right to the trademark or to enter into assignment agreement. The right holder has 2 months’ time for considering the proposal.

If the right holder does not agree with the proposal and does not waive the right to the trademark or assign it in favor of the interested party within 2 months, then the interested party will have the right to file a non-use cancellation claim to the court within a 30-day period after expiry of the said 2 months’ time period.

For the purposes of the non-use cancellation claim the 3 years period of non-use shall be accounted before the date of sending the proposal by the interested party to the right holder.

Conclusions

Pre-trial procedure does not apply to the claims on infringement of IP rights that do not include monetary claims which was the major concern of the business when the amendments to the Arbitrazh Procedural Code of Russia introducing pre-trial procedure for any commercial disputes were enacted in 2016. For instance, claims on recognition of the title, on termination of the infringement, on publication of the court judgment on infringement will not require pre-trial procedure before applying to the court.

At the same time we understand that claims on termination of IP infringements are now often combined with the monetary claims and under the Law the right holders will be forced to either divide non-monetary and monetary claims or wait until completion of the pre-trial procedure as described above to be able to

apply to the court with both non-monetary and monetary claims.

Hope that the information provided herein would be useful for you. If any of your colleagues would also like to receive our newsletters, please let us know by sending us his/her email address in response to this message. If you would like to learn more about our **Intellectual Property practice**, please let us know about it in reply to this email. We will be glad to provide you with our materials.

If you have any questions, please do not hesitate to contact the Partner Maria Ostashenko at MOstashenko@alrud.com.

Kind regards,

ALRUD Law Firm

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