

# BOOKLET

## Patent System In Russia



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## **Preface:**

### **Recent changes in the Russian patent system**

On January 1, 2008, Part IV of the Civil Code of the Russian Federation took effect, wherein the registration and protection of the results of intellectual activities inter alia inventions, utility models and industrial designs and of means of individualisation, inter alia trademarks, are regulated.

Concerning patent prosecution and invalidation, Part IV of the Civil Code of the Russian Federation applies to patent applications having an application date of January 1, 2008 or later.

Infringing acts taking place after December 31, 2007 are subject to the Civil Code.

The new Administrative Regulations for the Acceptance Examination, Granting and Registration took effect on June 5, 2009. The Russian Federation joined the Patent Law Treaty on August 12, 2009, making a reservation in accordance with Article 23 (1) PLT that the provisions of Article 6 (1) PLT shall not apply to any requirement relating to the unity of invention applicable under the PCT to an international application.

## **Overview**

The Civil Code covers inter alia the following subject matters for which patents are granted:

- Inventions
- Utility models
- Designs

Inventions and utility models are results of intellectual activities in the field of science and technology. Inventions are for more substantive technical innovations, whereas utility model patents are intended for smaller technical improvements. Design patents cover results of intellectual activities in the field of artistic design.

At the time being there is a practice of Russian companies to file patent applications preferably for utility models (which are not examined with respect to the patentability requirements i. e. novelty and industrial applicability) for slight modifications of products which are only protected outside the Russian Federation. If the genuine product is launched in the Russian Federation, it is possible that the owner of the utility model patent file an infringement action against the introduction into civil-law transactions of the genuine product. Therefore, it is recommended to file patent applications for at least the commercially most promising products also in the Russian Federation.

Patent enforcement in the Russian Federation is essentially characterized by two factors. First, the country is very large, and the legal expertise of courts may not be adequate in rural regions. However the major cities, in particular Moscow and Saint-Petersburg, are a reliable forum for patent infringement actions.

Second, the Russian procedural law imposes a number of requirements for patent infringement actions which foreign patent owners may not be familiar to. In particular, foreign documents (for example an extract from the commercial register) used for patent infringement actions have to be legalised (or apostilled) and all foreign language documents have to be translated into Russian and certified.

Nowadays, patent litigation has to be considered an effective means to defeat piracy and technology grabbing. We have noticed a significant increase of the number of patent litigations over the past years.

IP protection measures should not be limited to filing patent applications. It is rather advisable to implement an overall IP strategy covering prosecution, litigation as well as consideration of technical, administrative and political aspects.

## Patent types & terms of protection

### INVENTION PATENTS & UTILITY MODEL PATENT

An invention patent is granted for any technical solution relating to a product (or its use) or a process. A utility model patent is granted for any technical solution relating to an apparatus.

Please note that a utility model patent is not granted for a process, as well as a substance, a micro-organisation strain, an animal or plant cell culture or other products, which are not considered to be an apparatus.

To be patentable, the claimed invention must be novel and inventive over the prior art and must possess industrial applicability. The claimed utility model must be novel and industrially applicable.

### Patent Eligibility

The following shall not be objects of invention/utility model patents (Art. 1349, 3. Civil Code)

- human cloning technologies;
- techniques for modifying the genetic integrity of human embryo cells;
- use of human embryos for industrial and commercial purposes
- other solutions inconsistent with public interest and humane or moral principles

Inter alia the following subject matters shall not be deemed inventions:

- Discoveries.

- Rules and methods of intellectual activities.
- Varieties of plants and animals and biological methods for producing them, except microbiological methods and products produced by such methods.

Please note that invention patents are available for methods of treatment of the human or animal body by surgery or therapy and diagnostic methods practised on the human or animal body.

No legal protection as utility model is granted *inter alia* for solutions concerning only the appearance of articles aimed at meeting aesthetical needs.

## Novelty

To be patentable, the claimed subject matter of an invention/utility model patent must be novel over the prior art. A document is considered novelty destroying if it discloses all features of the claimed invention or the entirety of the significant features of the utility model.

For an invention patent the prior art includes any information known to the public in the world before the priority date (“absolute novelty”).

For utility models the prior art includes any information published in the world concerning means having the same intended purpose as the claimed utility model, and information about the use thereof in the Russian Federation, if such information had become available to the general public prior to the priority date of the claimed utility model (“relative novelty”).

Furthermore, the claimed subject matter must be novel over the so-called “elder rights”. i.e. all –yet unpublished- pending

patent applications filed with the Russian Patent Office by other persons before the priority date of the respective application (provided that these patent applications are published later on) and inventions and utility models patented in the Russian Federation with a prior time rank.

For inventions and utility models there is a grace period of 6 months prior to the filing date concerning the disclosure of information concerning the corresponding subject matter by the inventor thereof, applicant or another person who has directly or indirectly obtained this information from them.

## Inventiveness

To be patentable, the claimed invention must be inventive over the prior art.

As regards invention patents, inventiveness means that for the specialist the invention does not obviously ensue from the prior art.

Utility patents do not have to fulfil the patentability requirement “inventiveness”.

## Industrial applicability

Inventions and utility models have to fulfil the patentability requirement “industrial applicability”. An invention is deemed industrially applicable if it can be used in industry, agriculture, public health and other branches of economy or in the social sphere.

Furthermore, this requirement forms the basis of a frequent objection (especially in the field of chemistry) during substantive examination of invention patent applications concerning insufficient exemplification of the feasibility and purpose of an invention.

## DESIGN PATENTS

A design patent is granted for the artistic and design solution of a factory-made or home-made article which determines the appearance of the article.

### Patent Eligibility

The subject matter indicated in Art. 1349, 3. Civil Code (see above) shall also not be objects of a design patent.

Design patents are not granted for the following subject matter:

- solutions exclusively due to the technical function of an article;
- objects of architecture, industrial, hydraulic engineering and other immovable structures;
- objects of an instable form from fluid, gaseous, free flowing or similar substances.

### Novelty

An industrial design is deemed novel if the entirety of its significant features reflected on the images of the article and available in the list of the significant features of the industrial design is not known from the information which has been made available to public in the world before the priority date of the industrial design (“absolute novelty”). The significant features are the features determining the aesthetic and/or ergonomic characteristics of the appearance of an article, including the form, configuration, decoration and colour pattern.

Furthermore the claimed design must be novel over the so-called elder rights, i.e. all – yet unpublished – pending design patent applications filed with the Russian Patent Office by other persons before the priority date of the respective application (provided that these design patent application are published later on) and industrial designs patented in the Russian Federation.

For an industrial design there is also a grace period of 6 months prior to the filing date concerning the disclosure of information with respect to an industrial design by the author, applicant or another person who has directly or indirectly obtained this information from them.

### Originality

The claimed design is deemed original if its significant features are caused by the creative nature of the article’s characteristics.

## TERMS OF PROTECTION

The effective terms of the exclusive right to an invention, utility model and industrial design shall be as follows:

- 20 years from the filing date for an invention
- 10 years from the filing date for an utility model (may be extended up to 3 years)
- 15 years from the filing date for an industrial design (may be extended up to 10 years).

## Patent application/ Registration

The term of an invention patent relating to a medicine, pesticide or agrochemical substance which requires a market authorization may be extended if more than five years have elapsed from the filing date until the receipt of the first market authorization.

The term shall be extended by the period that had elapsed from the filing date until the date of receipt of the first market authorization minus five years. The request for patent-term extension shall be filed by the patent owner within the effective term of the patent and before the expiry of 6 months after receipt of the market authorization or the date of issue of the patent, whichever of these terms expires later.

Please note that in the Russian Federation within the scope of an invention patent the effective terms of independent claims which relate to a compound (or group of compounds) or a composition are extended.

### HOW TO OBTAIN PATENT PROTECTION IN RUSSIA

One route to obtain patent protection in the Russian Federation for the inventor or his successor is to file a Russian patent application with the Russian Patent Office.

### THE RUSSIAN PATENT OFFICE

The structure of the Russian Patent Office (Rospatent) comprises the head and four directorates.

The Russian Patent Office has two important divisions: the Federal Government Institution “Federal Institute for Intellectual Property Rights” and the Chamber for Patent Disputes.

The Federal Institute for Intellectual Property (FIPS) is subordinate to Rospatent.

The Chamber for Patent Disputes (CPD) is a division of FIPS.

FIPS receives and examines patent applications.

CPD handles appeals to decisions (on the rejection, grant and deeming the patent application to be withdrawn) by Rospatent and nullity actions filed against an issued patent.



## RUSSIAN NATIONAL FILING vs. EURASIAN REGIONAL FILING

Another route to obtain patent protection for an invention in the Russian Federation is to file a regional Eurasian patent application, designating Russia, with the Eurasian Patent Office, alternatively to the filing of a national Russian patent application with the Russian Patent Office. For further details concerning the Eurasian Patent System see the booklet “How to get a Eurasian Patent” (see: <http://www.eapo.org/rus/ea/getpatent/>).

A comparison of the Eurasian route with the Russian route shows that (if the applicant is interested only in the Russian Federation) the Eurasian route is for the time being approximately twice as expensive as the Russian route.

## PCT- ROUTE

The Soviet Union became member of the PCT in March 29, 1978.

Thus, the third route to obtain patent protection in the Russian Federation consists in designating/electing the Russian Federation in a PCT-application and in entering the national phase before the Russian Patent Office.

The term for entry of the national phase before the Russian Patent Office is 31 months from the earliest priority date. Within this term the request for the entry into the national phase and the confirmation of the payment of the filing fee have to be filed.

The PCT-route has the advantage that some requirements of the Administrative Regulation, for example the requirement that dependent claims are strictly grouped

together with the independent claims on which they depend, do not apply. Since January 1, 1996, it is possible to designate/elect the Eurasian Patent Office. The term for entering the regional phase before the Eurasian Patent Office is 31 months from the earliest priority date.

### **Foreign companies with R&D facilities in the Russian Federation should be aware: First filing in the Russian Federation may be required!**

If an invention is created in the Russian Federation (e.g. made in a Russian R&D centre) according to the Civil Code a patent application has to be filed first in the Russian Federation due to the fact that an examination concerning the fact whether it contains a state secret has to be carried out before a respective foreign (non Russian) patent application can be filed. Failure to comply with the requirement to first file such an invention in Russia will result in an administrative liability.

However, it is prohibited to classify a patent application as a state secret if the applicant is a foreign citizen or a foreign legal entity. Thus, said requirement refers only to applications filed by Russian applicants/co-applicants.

Where the applicant has not been notified by the Russian Patent Office 6 months after filing the patent application, he may file abroad without further approval.

The applicant may also file a request for examination concerning the presence of a state secret in order to accelerate the proceedings and to earlier file the patent application abroad (in case the patent application does not contain a state secret)

## PRIORITY DATE

The priority date is the filing date of the first patent application (in a member state of the Paris Convention) covering the subject matter. This priority date can be claimed in a subsequent Russian invention or utility model application, filed not later than 12 months (6 months for design patents) after the first application.

**Foreign companies** must use a patent attorney registered with the Russian Patent Office to handle the filing of a patent application.

The request to grant a patent shall be filed in Russian language. The Russian translation of the application materials can be filed together with the request to grant a patent (for a national patent application) or within the 31 months term (for a PCT-application) or within 2 months after receipt of a corresponding notification (said term can be extended up to 10 months).

If there are two patent applications filed on the same invention, the patent is granted to the one who has filed his patent application first (first-to-file-system).

## EXAMINATION PROCEDURE FOR INVENTION PATENTS

There is a two-step examination procedure for invention patent applications.

### Step one: Formal examination

A patent application must be filed with the Russian Patent Office. If the Patent Office receives a patent application and finds that the application documents are complete and comply with the established requirements, it will publish the patent application 18 months after the filing date (in case of a national application) or 18 months after the expiry of the 31 months term (in case of a PCT-application).

### Step two: substantive examination

The applicant for an invention patent must file a request for substantive examination within 3 years of the filing date, upon which the Patent Office will examine the patentability of the claimed invention. If the applicant fails to request substantive examination within said term, the application will be deemed to be withdrawn.

### There are some typical prosecution issues for invention patents in Russia

1. **Translation:** translation accuracy is an important issue for patent applications filed by foreign entities in Russia. Russian examiners are famous for drawing the applicant's attention to translation errors.
2. **Amendments during prosecution:** Russia has not the same stringent approach as the EPO regarding amendments made during patent prosecution. According to the Civil Code of the Russian Federation the applicant is entitled to amend the application documents unless the

essence of the invention is changed. Additional materials are deemed to change the essence of an invention if they comprise features which are supposed to be included in the claim-set but which had not been disclosed in the priority documents. (Note: According to the Administrative Regulation the original application documents are meant and not the priority documents)

3. **Claims:** According to the administrative Regulation a claim-set should not comprise a multiple-dependent claim forming the basis for a further multiple-dependent claim. If a claim-set infringes this requirement, there are several ways how to fulfil it. If the applicant chooses to preserve the original entirety of feature combinations by adding a multiple set of dependent claims, each having a single reference, it must be considered whether this way will not incur unnecessary costs. Thus, it has to be considered that an amendment fee (if the amendments are not filed within 2 months after the filing date) and maybe a claim fee (if the number of claims exceeds 25) has to be paid. Furthermore, it has to be considered that for the time being in a nullity action the patent owner is entitled to amend an independent claim by incorporating features from a dependent claim or the description. For infringement proceeding, only the independent claims are relevant. In view of this situation, it might be more appropriate to substitute the multiple references of dependent claims by single references.

## EXAMINATION PROCEDURE FOR UTILITY MODEL PATENTS

For a utility model patent application, there is no substantive examination procedure: the Patent Office only carries out a formal examination, examining: unity, completeness of the application documents and whether the claimed solution is a technical solution protectable as a utility model. If no ground for rejection can be found, the Patent Office issues a patent certificate, valid for 10 years from the filing date (may be extended up to 3 years).

### **Parallel filing of an invention patent and a utility model patent application / Transformation of an invention patent application**

According to Art. 1383, 2. Civil Code of the Russian Federation, it is not allowed that two patents (1 for an invention and 1 for a utility model identical thereto) having the same applicant and the same priority are granted. The second patent will only be granted after the applicant has renounced from the first patent.

Until the publication of the invention patent application but not later than the date of the decision on the issuance of a patent, an invention patent application can be transformed into a utility model application.

Until the date of the decision on the issuance of a utility model patent, the utility model application can be transformed into an invention patent application.

## EXAMINATION PROCEDURE FOR DESIGN PATENTS

Patent applications on designs are filed with the Russian Patent Office. Like for invention patent applications, there is a formal examination procedure followed by a substantive examination procedure for design patent applications. A design patent certificate is issued when the application is considered patentable, having a validity of 15 years from the filing date (may be extended up to 10 years).

A patent application for an industrial design shall be relating to one design or a group of designs interrelated to the extent of forming a united creative concept (the concept of unity of an industrial design).

It should be noted that a design patent application must comprise a written description of the design. Furthermore, in order to obtain a filing date, it is necessary to file a list of the significant features of the industrial design (in a form similar to a claim), a set of images of the article and a request for the grant of a patent on an industrial design application.

## Nullity / Appeal proceedings

### NULLITY ACTIONS

According to the Civil Code there are the following grounds for the Nullity of Invention, Utility Model and Design patents:

1. The claimed subject matter does not comply with the conditions of patentability.
2. The granted claims or the list of significant features contain features which go beyond the disclosure of the original application.
3. The patent has been granted although there were several applications for identical inventions, utility models or industrial designs having one and the same priority date.
4. The patent has been issued indicating as inventor or patent owner a person not being such or without indication in the patent as inventor or patent owner of a person being such.

Any legal entity or individual person may file a nullity action based on grounds 1-3.) with the CPD at Rospatent and ground 4.) with the Court to have the patent be declared invalid in full or in part. The petitioner does not need to show any particular legal interest in filing such a nullity action for grounds 1-3. There is no time limit for filing such a nullity action.

## APPEAL PROCEEDINGS

If the Patent Office issues a decision on rejection, grant, or deeming the application to be withdrawn, the applicant may file an appeal with the CPD at Rospatent. The appeal must be filed within six months from the date of receipt of the decision or from the date of receipt of copies of prior art cited in said decision, if the applicant has requested said copies within 2 months after the receipt of said decision.

### Court proceedings

In case of a decision of Rospatent (to which the conclusion of the CPD on the results of the examination of an appeal is attached) to reject the appeal, it is possible to file a request for invalidation of an unlawful decision of a state organ with the Arbitration Court. The request has to be filed within 3 months after the issuance of the decision. In case of a negative decision of the first instance of the Arbitration Court an appeal can be filed with the appellation instance of the Arbitration Court

(deadline: 1 month from the issuance of the decision) or with the cassation instance of the Arbitration Court (deadline: 2 months after the decision came into force). A negative decision of the appellation instance can be further appealed to the cassation instance of the Arbitration Court (deadline: 2 months after the decision came into force). A negative decision of the cassation instance can be further appealed to the Higher Arbitration Court (deadline: 3 months after the decision came into force).

### Assignment and licensing; Compulsory licences

The right to obtain a patent (i.e. a pending patent application) or the exclusive right to a registered patent for an invention, utility model or industrial design may be assigned to another party. The assignment contracts with respect to a patent application or a patent must be in written form, otherwise the contract is invalid. The assignment with respect to a patent must be registered with the Patent Office.

The assignment takes effect on the date of registration.

A patent owner may also license the right of using an invention, utility model or industrial design certified by his patent to other parties. The written contract has to be recorded with the Russian Patent Office, otherwise the contract is invalid.

Foreign owners should be aware of the compulsory licensing provisions under the Civil Code. Compulsory (simple) licenses may be granted by a court decision where the patentee, after expiration of 4 years from the grant of the patent right with respect to an invention or industrial design or 3 years from the grant of the patent right with respect to an utility model has not sufficiently exploited the patent without any good reason, if the patent owner refuses to conclude a license contract on the terms meeting the prevailing practise. The patentee insufficiently exploits the patent if he fails to meet the domestic demand of relevant goods, works or services. Furthermore compulsory licenses are granted by court decisions for inventions representing an important technical achievement and having significant economic advantages over the invention or

utility model of the holder of a first patent, for the exploitation of dependent patents.

## Employee's inventions

Companies having R&D facilities in Russia should be aware of the Russian provisions concerning employee's inventions according to the Civil Code. An invention, utility model or industrial design created by an employee in the course of his duties or a specific assignment of the employer shall be deemed a service invention, utility model or industrial design. The right of attribution in respect of a service invention, utility model or design belongs to the employee. The exclusive right and the right to obtain a patent are owned by the employer, except as otherwise envisaged by a contract. Unless within 4 months after being notified in writing by the employee the employer files a patent application, assigns the right of obtaining a patent to another person or notifies the employee that the information on the relevant result of intellectual activity is kept secret, the right to obtain a patent shall be owned by the employee. If the employer obtains a patent or decides to keep information secret or assigns the right to obtain a patent to another person or does not receive a patent for reasons within the employer's control, the employee shall be entitled to a remuneration. The amount of the remuneration, the terms and procedure for the employer to pay it out shall be defined by a contract between the employer and the employee, or by the court in the case of a dispute. The government of the Russian Federation is entitled to set minimum rates for the remuneration. Until this happens the rates indicated in Art. 32 of the Law about Inventions in the Soviet Union of May 31, 1991, are applied.

## Patent infringement

### INFRINGING ACTS

Without the authorisation of the patent owner (applicable to invention, utility model as well as design patents) no other person may exploit the patent, i.e

- make, use, offer to sell, sell and import, other introduction into civil-law transactions or storage for such purposes of a product in which the invention or utility model is used or of an article in which the industrial design is used.
- Commission of the above described actions with respect to a product obtained by a patented method. If the product is novel then an identical product shall be deemed produced by the patented method unless otherwise proven.
- Commission of the above described actions with respect to an apparatus in whose operation the patented method is automatically implemented.
- The implementation of the method in which the invention is used, for instance by means of applying the method.

An invention or utility model shall be deemed to be used if a product contains or a method uses each feature of an independent claim of the invention or utility model or a feature equivalent thereto (which is a feature that had become known in the given field before the infringing act was committed).

An industrial design shall be deemed to be used if an article contains all the significant



features of the industrial design which are reflected in the images of the article and indicated in the list of the significant features of the industrial design.

## POSSIBLE DEFENCES OF THE ALLEGED INFRINGER

Inter alia the following actions are not deemed to be an infringement:

- Private use (non-commercial use)
- The carrying out of scientific research of a product or method or of an experiment with respect to a product, method or article.
- The importation into the territory of the Russian Federation, the application, offer for sale, sale, other introduction into civil-law transactions or storage for such purposes of a product in which the invention or utility model is used or of an article in which the industrial design is used, if the product or article has been earlier introduced in civil-law transactions on the territory of the Russian Federation by the patent holder or by another person on a permission of the patent holder (national exhaustion).

The statute of limitations for patent infringement is three years starting from the date the patent holder knew or should have known of the existence of the patent infringement.

## Enforcement of patent rights in Russia

The protection of a patented exclusive right to an invention, utility model and industrial design may be exercised only after state registration and issuance of a patent (please note that an invention patent application enjoys temporary legal protection starting from the publication of the application until the publication of information on the issuance of the patent. For the illegal use during this period, the infringer shall pay a monetary compensation to the patent owner after issuance of the patent).

In accordance with the legislation, patent owners have three main options for enforcement once they discover that their rights are being infringed:

- 1.) Administrative enforcement, including border measures, anti-monopoly proceedings.
- 2.) Civil enforcement.
- 3.) Criminal enforcement

For complex technical questions related to invention or utility model patents civil enforcement is by far the most important option.

## ADMINISTRATIVE ENFORCEMENT

Under the Code of Administrative Offences unauthorized use of an invention, utility model or industrial design entails payment of a fine (for a natural person between 1.500.- and 2.000.- RUB, for a legal entity between 30.000.- and 100.000.- RUB) and seizure of the infringing goods. Administrative cases

are investigated by the militia (a specialist police unit) or customs organs and tried by the courts.

Under the Law on Protection of Competition, the sale, exchange and other putting into circulation of goods is prohibited, if in doing so, the results of intellectual activities, for example, patents were unlawfully used.

Such actions are considered unfair competition and are investigated by the Federal Anti-Monopoly Service.

A successful action may terminate the infringement. The Anti-Monopoly Service may order that the infringer has to transfer his profits to the state budget.

Against this decision a request for invalidation of an unlawful decision of a state organ with the Arbitration Courts may be filed.

Administrative proceedings are carried out at the place where the infringing act occurs.

## **CIVIL ENFORCEMENT**

### **General overview of the court system**

Russia splits its court jurisdiction into two, namely:

- the Courts of General Jurisdiction and
- the Arbitration Courts.

The Courts of General Jurisdiction are competent, if at least one party of the dispute is a natural person. Infringement actions between legal persons are tried by the Arbitration Courts. In a patent infringement case, the Courts of General Jurisdiction comprise 3 levels (District Court, Court of the Subject of the Russian Federation, Higher Court), the

Arbitration Courts comprise 4 levels (Arbitration Court of the Subject of the Russian Federation (first level), Arbitration Appellation Court (2<sup>nd</sup> level), Federal Arbitration Circuit Court (3<sup>rd</sup> level), Higher Arbitration Court).

### **Preparing a patent infringement statement of claim**

Filing a patent infringement requires careful planning and preparation of the case.

The crucial issues in the preparation of the case consist in obtaining a sample of the infringing product, (in case of a chemical product) analysis of the infringing product by an independent laboratory, collecting evidence for the fact that the infringing product has been introduced into civil-law transactions, translating and certifying all foreign-language documents.

It is not a prerequisite for an infringement suit to send a warning letter to the infringer. Depending on the intentions of the infringer, a warning letter might result in a cease of infringing or in initiating counter-actions (like filing a patent application; please note that in such a situation when indeed a patent application is filed (with a later time rank and having identical or equivalent features compared to the patent-in-suit) and a patent granted, the Arbitration Courts decided in the field of invention and utility model patents that as long as the patent with the later time rank is valid the actions of its owner are not considered as infringing the patent with the earlier time rank.

A civil infringement suit as a rule has to be filed at the place where the infringer is located.



## Preliminary Injunctions and Evidence Preservation

The plaintiff can request the Arbitration Court to stop infringing acts (preliminary injunction) and seize infringing products before the lawsuit. These measures are called preliminary security measures. Prerequisite for such preliminary measures is that the plaintiff shows that: (1) his lawful rights are being infringed, or the infringement is imminent, (2a) the infringement will result in significant damage to the patent owner, or (2b) not taking the measures would make the execution of the decision more difficult or impossible.

The plaintiff shall provide a security (such as a local bank account or local bank guarantee) to the court to obtain preliminary measures. Furthermore the Plaintiff has to institute legal proceedings within 15 days after the Arbitration Court issued a decision to take preliminary measures. If the plaintiff fails to do so, the Arbitration Court terminates the preliminary measures.

According to our knowledge preliminary security measures in patent matters have not been granted so far. This is mainly due to the fact that in a preliminary injunction proceeding, the judge can not rely on an expert opinion concerning the patent infringement. It has to be noted that security measures can also be requested (concerning the requirements see above) during the lawsuit before the Arbitration Court and the Court of General Jurisdiction. Such requests have been granted in patent matters.

## Trial procedures, outcome and timeline

After the patent infringement suit is filed with the competent court, it will be served to the defendant. If the defendant wants to question the validity of the patent-in-suit, he has to file a separate nullity action with the CPD at Rospatent. Please note that the infringement procedure will not be suspended until the CPD at Rospatent has decided the nullity case. In case of patents (i.e. cases requiring special knowledge) courts generally order an expert opinion (on request of a party participating in the proceedings, see explanation below).

In practise, the party requesting an expert opinion also proposes a specific independent expert (under indication of name and qualification) and a questionnaire to be answered by the expert. Furthermore, the party and the expert have to agree upon a remuneration for the expert. The court will after hearing the parties decide which expert will be appointed. Please note that the court may also appoint a team of experts.

The court will schedule a preliminary hearing, which will be held usually within two months after receipt of the suit by the court. Thereafter, the court will schedule the main hearing on the merits

After the main hearing, the court will render a decision. The 1<sup>st</sup> instance decision becomes final and enforceable if it is not appealed within one month after issuance of the decision or the appeal is eventually dismissed.

The average duration of first instance Arbitration Court proceedings is approx. 6-10 months, the second-instance Court level takes usually 2-3 months,

Cassation Court proceedings usually take 3-4 months, proceedings at the Higher Arbitration Court take 1-2 years. The court fees for each instance of the Arbitration Court are relatively low (2.000.--RUB for the 1<sup>st</sup> Instance, 1.000.- RUB for the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Instance each).

## Damages

If the infringement is proven, the patent owner may demand the recovery of damages. The damages include the expenditures, which the person, whose right has been infringed, has incurred or has to incur in order to be reinstated into his rights (actual damages) as well as the not-obtained income (lost profit). Instead of the lost profit the plaintiff may demand compensation in the amount of the profits, which the infringer earned. The losing party is obligated to reimburse the legal costs for experts, testimonies etc. and the other party's attorney fees to a reasonable amount.

## CRIMINAL ENFORCEMENT

The Criminal Code provides that unauthorized use of an invention, utility model or industrial design is a criminal offence, if by such actions a major damage is caused (approx. 50.000.--RUB depending on the circumstances of the case).

Criminal cases are investigated by the Ministry of Interior and tried by the Courts of General Jurisdiction.

Where found guilty the infringer can face:

- a fine up to 200.000.- RUB
- a fine of an amount equivalent to the relevant person's income in a period of up to 18 months
- a compulsory work order for between 180 and 240 hours or
- imprisonment up to two years.

If an infringement is committed by a group of persons by previous arrangement or by an organised group they can face:

- a fine from 100.000.- RUB up to 300.000.- RUB
- a fine in an amount equivalent to the relevant person's income of a period of from 1 up to 2 years
- arrest from 4 months up to 6 months or
- imprisonment up to five years.

## Sources of law & practice

- Part IV of the Civil Code of the Russian Federation, brought into force on January 1, 2008 by Federal Law No.231-FZ of 18.12.2006.
- Administrative Regulation for performing the government functions of organising the acceptance of applications on inventions, their examination and grant in the established order of patents of the Russian Federation on inventions by the Federal Service for Intellectual Property, Patents and Trademarks, by order No.327 of the Ministry of Education and Science of the Russian Federation of 29.10.2008, in force since June 5, 2009.
- Administrative Regulation for performing the government functions of organising the acceptance of applications on utility models, their examination and grant in the established order of patents of the Russian Federation on utility models by the Federal Service for Intellectual Property, Patents and Trademarks, by order No.326 of Ministry of Education and Science of the Russian Federation of 29.10.2008, in force since March 20, 2009.
- Administrative Regulation for performing the government functions of organising the acceptance of applications on industrial designs, their examination and grant in the established order of patents of the Russian Federation on industrial designs by the Federal Service for Intellectual Property, Patents and Trademarks, by order No. 325 of Ministry of Education and Science of the Russian Federation of 29.10.2008, in force since December 26, 2008.
- Recommendations for the Examination of applications on inventions, by order No. 199 of Rospatent of December 31, 2009.
- Law on Protection of Competition of July 26, 2006, last amended on April 5, 2010.
- Criminal Code of June 13, 1996, last amended on July 27, 2010.
- Code of Administrative Offences of December 30, 2001, last amended on July 30, 2010.
- Arbitration Procedural Code of July 24, 2002, last amended on July 27, 2010.
- Civil Procedural Code of November 14, 2002, last amended on July 27, 2010.
- Recommendations for the Examination of novelty and originality of an industrial design by order No. 48 of the Federal Service for Intellectual Property, Patents and Trademarks of March 31, 2008.
- Ruling of the Plenum of the Supreme Court of the Russian Federation and Plenum of the Supreme Arbitration Court of March 26, 2009 No.5/29 “On particular issues that arose due to coming into force of the Part IV of the Civil Code of the Russian Federation”.
- Federal Law of December 12, 2006 No. 231-FZ on “Implementation of the Part IV of the Civil Code of the Russian Federation”.

## Russia contact information

**ROSPATENT** - Federal service on intellectual property, patent and trade marks (Rospatent): [http://www.rupto.ru/en\\_site/about/about.html](http://www.rupto.ru/en_site/about/about.html) (English) - Федеральная служба по интеллектуальной собственности, патентам и товарным знакам (Роспатент): <http://www.rupto.ru> (Russian)

**FIPS** - Federal Institute of Industrial Property: [http://www1.fips.ru/wps/wcm/connect/content\\_en/en](http://www1.fips.ru/wps/wcm/connect/content_en/en) (English) - Федеральное государственное учреждение „Федеральный институт промышленной собственности Федеральной службы по интеллектуальной собственности, патентам и товарным знакам“: <http://www.fips.ru> (Russian)

**Supreme Arbitration Court of the Russian Federation**: <http://www.arbitr.ru/eng/> (English) - Высший Арбитражный Суд Российской Федерации: <http://www.arbitr.ru/> (Russian)

**Arbitration Court of Moscow City** (English) - Арбитражный Суд города Москвы: <http://www.msk.arbitr.ru/> (Russian)

**Federal Antimonopoly Service**: <http://en.fas.gov.ru/> (English) - Федеральная антимонопольная служба: <http://www.fas.gov.ru/> (Russian)

**Federal Customs Service of Russia**: <http://www.customs.ru/en/> (English) – Федеральная таможенная служба: <http://www.customs.ru/ru/> (Russian)

**Ministry of Industry and Trade of the Russian Federation**: <http://www.minprom.gov.ru/eng> (English)

- Министерство промышленности и торговли Российской Федерации (Минпромторг России): <http://www.minprom.gov.ru/> (Russian)

**Russian Author's Society** - Российское авторское общество: <http://www.rao.ru> (Russian)

**Prosecutor General's Office of the Russian Federation**: <http://eng.genproc.gov.ru/> (English) - Генеральная прокуратура Российской Федерации: <http://genproc.gov.ru/>

## Acknowledgments:

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