IP Update: Ukraine

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BAD NEWS

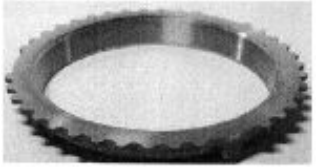
- trademark, design, patent cancelation - no administrative, only court procedure;
- there are a lot of design (patent) trolls;
- unfair distributors try to register famous trademarks;
- cybersquatters try to register trademark in another class and then register your domain in zone UA

PATENT TROLLS

The so called **patent trolls** – legal bodies or individuals who do not use the patented technology by themselves in producing of products or providing services but merely make complaints, initiate legal proceedings against those who actually produces such goods, products and services.

PRIVATE ENTERPRISE "DESIGN AUTOTOTIV" (UA)

For 1 year - more than 160 patents for industrial designs



THE WAY OUT

Right of Prior Use: Defense or Attack?

Case No. 904/7458/14

Technotorg-Don LLC vs. *V.J.Tires Protector Private enterprise* and *Pan Cardan LLC*

In autumn 2014 Technotorg-Don filed an action with the Commercial Court of Dnepropetrovsk Region for the recognition of a right of prior use for the goods manufactured through the use of all essential features of industrial design which are protected by the the industrial designs patents “Tire for a vehicle” (Nos. 25364, 25365) and ‘Tire’ (Nos. 25584, 25595, 25597, 25601, 256706, 25610, 25608, 25604).

In 2013 already V.J.Tire Protector became one of the companies to have bought in the market the patents on various kind industrial designs (tires, bumpers, headlights, wheel discs, etc.). In the whole it occupied almost 30% of the titles of protection issued that year, and their founders were legal bodies located in offshore zones.

Some industrial design's of *V.J.Tires Protector Private enterprise* and *Pan Cardan LLC*

Technotorg-Don pointed out that it

(1) had been involved in substantial and solid preparation for the use,

(2) later had conscientiously been using in Ukraine the goods manufactured with the application of all essential features of the Defendants' patented industrial designs *even before the filing of patent application by the latter.*

The courts of Ukraine completely satisfied the Technotorg-Don's claim (The Resolution of the Higher Economic Court of Ukraine came to the same conclusion from 29.11.2016).

Quite naturally, the right of prior use narrows down the patent holder's exclusive rights. However, based on the real business practices of ensuring a balance of interests and protection of all intellectual property rights, the right of prior use has become the real way of protection and at the same time of attack when dealing with unfair patent holders (patent trolls) as we could see in the case of Technotorg-Don vs. V.J.Tires Protector.

Fun Arithmetics of Patent Law: Can 20 be Equal to 25?

According to the Law of Ukraine “On the Protection of Rights to Inventions and Utility Models”, the term of patents on inventions is ***20 years*** from the filing date. However, in some cases, this term may be extended. This rule applies to patents for inventions issued for *medicinal product, animal protection product, plant protection product, etc*. The the State Service of Intellectual Property (SSIP) may grant patents for such products only following the receipt of a permit to use such products from a competent authority.

Case *No.910/1703/15*

Seedera Seed Company vs Syngenta Participations AG

The claimant Seedera Seed Company filed a claim with the Kyiv Commercial Court regarding the following:

- Recognition of the Patent of Ukraine No 41255 as invalid from July 14, 2013;
- Cancellation of the act of the State Department of Intellectual Property (*the Department, the predecessor of the IP Office*) as of August 3, 2009;
- Cancellation of records contained in the State Register of Patents of Ukraine.

The Defendants: the SSIP and Syngenta Participations AG.

The fact is that Syngenta Participations AG owns a patent of Ukraine for the invention (№ 41255) issued for plant protection product, so the use of this patent requires the permission of the competent authority.

Such permission was given not to the Syngenta Participations AG, but to its subsidiary.

The claimant: “Obtaining the permit by another person (not the owner of the patent) does not give to Syngenta Participations AG the right to extend the patent”.

Judicial position:

Paragraph 4, Article 6 of the Law of Ukraine "On the Protection of Rights to Inventions and Utility Models" ***does not expressly provide that permits to use plant protection products may be obtained only by patent owners.***

The Courts of Ukraine dismissed the claim of Seedera Seed Company.

P.S

It should be noted that following the execution of the *Association Agreement between the European Union and Ukraine*, the laws of Ukraine on the regulation and protection of the rights and interests of intellectual property holders are going to be amended currently.

The ***Association Agreement between the European Union and Ukraine*** states that such additional protection period ***is equal to the period that elapses between filing an application for a patent and an initial authorization to place a product on the market, reduced by 5 years.***

TV Format Protection in Ukraine

Case No. 910/19751/14
Novy Channel VS 1+1 Studio

Novy Channel and 1+1 Studio are the popular national TV channels in Ukraine.

In 2011, **Novy Channel** launched the reality show **"Revizor"** about the quality of customer services provided by Ukrainian hotels, restaurants, shops, health centers, etc (presenter Olga Freimut). The 4th season of Revizor show started on January 6, 2014. The show was still very popular and boosted Novy Channel rating.

However, hardly had the channel released 4th season finale, when **1+1 Studio** launched its own TV show with the title **"Inspector Freimut"** presented by Olga Freimut.

In September 2014, Novy Channel filed the copyright infringement lawsuit with the Kyiv Commercial Court

The Expert witness summarized the comparative study results and noted that the following elements of the form characteristic of Revizor had been used in Inspector Freimut:

1) ***The presenter's image that forms the TV show's character*** (a journalist carrying our investigation; style, language, significant detail (a glove or kerchief);
2) ***Inspection specifics*** (unexpected, public, may be carried out against the personnel's and management's will; the shooting crew may force its way into staff only areas);
3) In both shows, **the owners and the management are not involved in any inspections**;
4) ***According to the structure is the show,*** which is the same for every episode, inspections are carried out in a certain city; the show starts with the spots offering cheap services and moves to the spots offering expensive services;
5) ***Inspection criteria: environment*** (exterior, interior), the quality of services, prices, food, cleaning;
6) ***Outcome*** (as a result of inspection, service providers may be either recommended ornot recommended by inspectors; if recommended, service providers receive the special "recommended" sign plate (the outcome of Inspector Freimut and Revizor is the same).

The legal battle between Revizor and Inspector Freimut is still under way.

Such disputes are difficult to resolve since the Ukrainian regulations, just like the regulations in other countries fail to specify the full list of works protected by copyright.

Although it is difficult to identify similar elements in different formats, Ukrainian courts are in a fair way to interpret TV format as intellectual property. Moreover, in one of its rulings, the Kyiv Commercial Court of Appeal used the word “format” (yet, no definition was provided).

Ukraine: future

- Creating specialized court on intellectual property should begin in 2017
- Administrative procedure of design cancelation
- Publication of design applications and possibility for filing opposition
- Cancelation period of trademark non-use 5 years (today - 3 years)

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