

Ukraine

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Ownership of marks

1 Who may apply?

Any natural person or legal entity may apply for trademark registration in Ukraine.

Scope of trademark

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

Any designation or combination of designations, namely words, letters, figures, images (graphical compositions), three-dimensional figures or composition thereof, colours and combinations of colours, and any combination of the above-mentioned can be protected. Registration of sound, light trademarks, colours and combinations of colours is allowed, provided it is technically possible to include them on the trademark register and publish them.

The following designations cannot be registered as trademarks:

- marks contrary to the principles of humanity and morality;
- state emblems, flags, other state symbols, official names of the states, emblems, abbreviations and names of international intergovernmental organisations, official control and warranty signs and hallmarks, stamps and awards;
- marks that have no distinctiveness, or that consist only of designations commonly used for definite goods or services or which are descriptive of claimed goods or services;
- marks which are deceptive in regard to the goods or services or manufacturer thereof;
- marks consisting only of commonly-used symbols and terms;
- marks that reflect only a shape caused by the natural condition of a product;
- marks identical or confusingly similar to another's marks that have previously been registered or applied for in Ukraine, or marks protected without registration under the international treaties, or known in Ukraine as trade names of other entities in regard to similar goods or services, indications of origin of goods, duly registered signs of compliance; and
- marks reproducing designs registered in Ukraine by another person, names of known works of science, literature and art or parts thereof without the consent of the authors; and names, surnames, pseudonyms, and portraits of people without the subjects' consent, if they are famous in Ukraine.

Obtaining a trademark

3 How long does it typically take, and how much does it typically cost to obtain a trademark registration?

Based on current practice the trademark registration procedure typically takes a year-and-a-half if no refusals are issued and no objections are filed. Legal fees in this case typically amount to €600 per mark.

The official fee rates depend on the state of applicant's residence and are given below:

Official fees	States with annual GDP per capita below US\$3,000	States with annual GDP per capita of US\$3,000+
Filing fee for black & white mark in one class	€100	€250
• for each class in excess of one	€50	€120
• additionally where mark is in colour	€33	€80
Granting fee	US\$200	US\$200
Publication fee for each class	€10	€25
• additionally where mark is in colour	€7	€15

If a trademark application is filed in the name of several applicants the official filing fee is increased by 30 per cent.

Classification system

4 What classification system is followed, and what goods or services may be claimed?

Ukraine is party to the Nice Agreement on the Classification of Goods and Services and the eighth edition of the Nice Classification is applied. Any goods or services may be claimed, ie, the applicant may claim goods or services in his or her own version, provided that they are formulated clearly enough to be classified as goods or services of a definite class under the Nice Classification.

Conflicts with other trademarks

5 Are applications examined for conflicts with other trademarks? What is the procedure followed in the Trademark Office?

Yes, the trademark applications are examined for conflicts with earlier registered trademarks or trademarks with earlier priority, where similar goods or services are claimed. The Patent and Trademark Office carries out a trademark search for earlier marks through the database of Ukrainian trademark registrations and applications, and international registrations protected in Ukraine. If an earlier mark is found, a notification of provisional

refusal is sent to the applicant. The applicant may file a reasoned opposition to the provisional refusal. The reasoned opposition should be filed within two months of the date of receipt of the provisional refusal. This term can be extended for six months. If grounds given by the applicant are considered reasonable, the official granting decision is issued. Otherwise, the final refusal is issued on the trademark application. The final refusal can be appealed against before the Appeal Chamber or directly before the court.

Use of a trademark and registration

- 6** Does use of a trademark or service mark have to be claimed before a registration is granted? Does proof of use have to be submitted? If registration is granted without use, is there a time by which use must begin to maintain the registration?

No, use of a trademark before registration is not required and no proof of use should be submitted to the Patent and Trademark Office. Nevertheless, if a trademark is not used for three years (from the publication date or any other date after publication) any person may initiate a cancellation action in the court. An exception is made for the cases when the causes of non-use do not depend on the trademark owner.

Appealing a denied application

- 7** Is there an appeal process if the application is denied?

Yes, any decision on the application, including the final refusal, may be appealed by the applicant to the Appeal Chamber or to the court within two months from the date of receipt of such decision. Further, the Appeal Chamber decision may be appealed to the court.

Third parties

- 8** May a third party oppose registration or seek cancellation of a trademark or service mark? What are the procedures?

Any person can file an opposition to the trademark application claiming that the trademark cannot be granted legal protection. Such opposition should be filed to the PTO and a corresponding official fee should be paid for filing. The PTO should send a copy of the opposition to the applicant. The opposition is considered in the examination process. If the trademark is registered, any person may initiate a cancellation action in court, ie, bring a lawsuit against the trademark registration. The lawsuit is considered by court in hearings where parties present their claims and arguments. The following are grounds for the cancellation of trademark registration: the mark does not meet the requirements for granting legal protection; the trademark registration certificate contains elements of a mark or goods or services that were not included in the application; the filing of the trademark application infringed the rights of another person.

Duration and maintenance of registration

- 9** How long does a registration last and what is required to maintain a registration?

The trademark registration certificate is valid for 10 years and can be renewed for a further 10 years. To proceed with renewal, it is necessary to pay the official renewal fee and file renewal petition to the PTO. The number of such renewals is unlimited.

The benefits of registration

- 10** What are the benefits of registration?

The exclusive rights in a trademark are granted to the trademark owner, ie, to allow use of the trademark to others, to prevent others from illegal use of the trademark, to prohibit use of trademark etc. If a trademark is not registered, it is more likely to be infringed, and another person or entity even may obtain registration for this mark. Also, it is much more difficult to defend against infringement of an unregistered mark.

The border measures are also allowed with respect to registered trademark only.

Another benefit of trademark registration in Ukraine is that it allows registration of a domain name such as www.trademark.ua (ie, second level of 'ua' domain).

Assignment

- 11** What can be assigned? Trademark with goodwill? Without goodwill? All or some of the goods and services? Must other business assets be assigned to make it a valid transaction?

In Ukraine, a trademark can be assigned entirely or only for a part of goods or services. It can be assigned with or without goodwill. Assignment of other business assets is not required when a registered trademark is assigned. It is required only if the mark being assigned is used on the basis of 'prior use right', ie, when a person (not the trademark owner) started use of the mark before the application was filed by another. In this case, according to Ukrainian legislation, the scope of use cannot be extended and prior use right in trademark can be transferred only along with the business or a part thereof.

Required documentation for assignment

- 12** What documents are required?

The trademark can be assigned on the basis of the assignment agreement according to which exclusive proprietary rights in the trademark are transferred. The agreement should be in writing but no further notarisation or legalisation is required.

Validity of assignment

- 13** Must the assignment be recorded for validity?

The assignment agreement is valid if signed by the parties. However, the fact of the assignment must be recorded and corresponding data about transfer of the exclusive rights in trademark must be entered on the State Trademark Register.

Security interests

- 14** Are security interests recognised?

Security interests in connection with trademark rights are not directly prescribed by the laws of Ukraine.

Markings

- 15** What words or symbols can be used to indicate trademark use or registration? Do these words or symbols have to be used? What are the benefits of using them and the risks of not using them?

Ukrainian legislation provides that a trademark owner can use warning markings to indicate a registered trademark. There is no clear prescription as to what kind of marking should be used. Therefore different markings are used in practice: 'registered

trademark', 'registered', '®', etc. The '™' marking is normally used to show that the application for a trademark has already been filed.

The main benefit is that use of such markings may prevent others from using registered or applied-for trademarks. There is also a risk that others will use this trademark in cases when such marking is not used, but qualifying illegal use of trademarks does not depend on the presence of such markings.

Trademark enforcement proceedings

16 What types of legal or administrative proceedings are available to enforce trademark rights against an infringer, 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 enforcement?

Ukrainian legislation provides court, administrative and criminal procedures for enforcement of trademark rights. The court proceeding is the most commonly used.

There are three types of courts: common jurisdiction courts, which deal with cases where at least one party is a natural person; the arbitration courts, which deal with cases where both parties are legal entities or undertakings; and the administrative courts which deal with legal actions against decisions or actions of state authorities. There are no specialised courts for intellectual property matters, but in some arbitration courts there are separate chambers dealing with intellectual property cases.

In administrative proceedings, the application claiming trademark infringement is filed with the Anti-monopoly Committee of Ukraine. Within 30 days after the application is filed the Anti-monopoly Committee shall decide whether the proceeding should be started. The mentioned term may be extended for a further 60 days if any additional information is needed. Regarding the applicable sanctions, the Anti-monopoly Committee can stop the infringement, impose a fine on the infringer and seize the infringing goods.

Also in administrative proceedings the illegal import or export of infringing goods may be prevented by applying border measures. For border measures it is necessary to file a petition with the State Customs Authority. A registered trademark may be included on the special register held by the Customs Authority whereupon monitoring of imported and exported goods will be carried out to prevent import or export of the infringing goods. If custom processing of infringing goods is stopped, a lawsuit must be brought against the alleged infringer. Otherwise further processing and subsequent import or export of such goods will be allowed. If a lawsuit is duly brought then the goods may remain ceased until the final decision on the case is issued.

Ukrainian legislation also provides for criminal proceedings for trademark infringement. This can be initiated by filing a petition with the police department or the Office of the Public Prosecutor. According to article 229 of the Criminal Code of Ukraine, illegal use of a trademark or other intentional infringement of rights in a trademark is a criminal offence provided that it caused considerable material damage.

Procedural format and timing

17 What is the format of the infringement proceeding? Is discovery allowed? Live testimony? Experts? Who decides the case? How long does the proceeding typically last? If there is a criminal enforcement mechanism, what is that procedure?

Proceedings are carried out as court hearings in the presence of the parties. In court hearings the parties can give their explanations to the court, state their arguments and reasons, submit evidence, familiarise themselves with the case materials and evidence filed, object to the arguments and reasons of other parties, and so on, and appeal against court decisions, etc.

Cases are decided by a judge. A board of (three) judges may decide any case, but usually decides only complicated cases. In the administrative court, proceedings where the lawsuit is brought against certain state officials or state authorities (eg, the central government) must be decided by the board of judges.

Before the trial, the judge prepares for the hearing by obtaining the necessary information, materials, documents, explanations, evidence, etc, from the parties and other participants to the case.

Different kinds of evidence are allowed in court: written evidence (documents), exhibits, live testimony and explanations, written explanations, expert opinion. The parties may apply for an examination to be carried out, but only the judge may decide whether obtaining the expert testimony is necessary. The judge can also refuse to accept the findings of an independent expert filed by the party and appoint another expert.

The general rule is that each party must prove the circumstances being claimed or referred to.

The time frame of court proceedings mostly depends on the specific case, but nevertheless such proceeding will take no less than four months.

In criminal proceedings the relevant police department or Office of the Public Prosecutor considers the application filed and decides whether there can be a criminal offence. If so, then the criminal case is opened and the matter is investigated by the mentioned authorities. Afterwards, provided that there is sufficient evidence of criminal offence and that it was committed by a particular person, the matter is transferred to the court.

Burden of proof

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

To establish trademark infringement it is necessary to prove exclusive rights in a trademark (registration), illegal use of the registered trademark or a mark that is confusingly similar to the registered trademark in regard to goods and/or services for which the trademark is registered or related goods/services, and the person of the infringer (natural person or legal entity). The mark is considered to be used if it is displayed on the goods, on the packaging of goods, in advertising, in print, on publicity boards, or at exhibitions or fairs, in booklets, invoices, letterheads or other documents, on the internet, as a domain name, etc.

To seek damages it is necessary to prove that damage was suffered and the actions of the infringer caused the damage.

To establish dilution of a trademark it is necessary to prove that the trademark was used by different manufacturers for a long time (ie, it should be proved which manufacturers used the trademark and for what period) in regard to the same or related goods or services and that the mark lost distinctiveness as a consequence of such use.

Standing

19 Who is entitled to seek a remedy (trademark owner, licensee, etc) and under what conditions? Who has standing to bring a criminal complaint?

First of all, the trademark owner can seek a remedy for damage caused as a result of infringement. The licensee can seek a remedy provided that the consent of the trademark owner is obtained. Such consent may be stipulated by the trademark licence agreement or issued by the trademark owner as a separate document.

A criminal complaint can be brought by any person being aware of possible criminal offence.

Foreign activities

20 Can activities that take place outside the country support a charge of infringement or dilution?

In general, only activities (of Ukrainian or foreign entities) that take place in Ukraine are taken into consideration in cases of trademark infringement. However, activities that take place outside the country may serve as additional evidence in cases of trademark infringement or dilution, proving the scope of the trademark owner's activities in general, the reputation of the trademark owner and the trademark itself.

Discovery

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

Information confirming or refuting claims or oppositions of the parties or other relevant information that may assist the proper resolution of the controversy can be used as evidence in a court trial. Such information can be disclosed by means of written evidence (documents), exhibits, court experts' conclusions, explanations of the parties (oral and written) and other participants to the proceeding (third parties, etc).

Evidence may be disclosed by the parties or other participants to the proceeding, or such disclosure may be requested by the judge.

Before the trial, the judge may request parties, other persons or entities, state authorities, etc, to perform actions (such as to check calculations, examine evidence in situ), or to disclose documents, conclusions or information relevant to the case. The judge can also personally examine evidence in situ. The same can be done after the trial has started.

If the party cannot obtain evidence possessed by another person, he or she is entitled to petition the judge requesting such evidence.

Timing

22 What is the typical time frame for an infringement or dilution action, at the trial level and on appeal?

The time frame for infringement actions varies, depending on the complexity of the case, number of claims, necessity of requesting evidence, etc. Generally, the case should be decided within two months of receipt of the lawsuit. Nevertheless, this term can be extended upon request of the parties. The time frame of such extension is not settled. Extended terms for trademark cases are usual in Ukrainian court practice. As a rule, the trial proceeding lasts for not less than four months, but if the case is complicated and requires a deal of evidence it may last for a year or even more. The appeal process at each stage usually takes two or three

months. Sometimes the appeal may take more time, especially when new evidence is presented or the court examination is conducted at this level of the case.

Litigation costs

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

The litigation costs will depend on the complexity of the case. Basically, the hourly rates are applied for infringement or cancellation actions. The approximate rates are as follows: partners, €300; senior associates, €200; associates, €100; paralegals, €50. It is also possible in some cases to set the fixed cost, which will amount to no less than €5,000 to €10,000. Additionally it is necessary to cover the expenses incurred in connection with the court proceedings.

Appeals

24 What avenues of appeal are available?

Ukrainian legislation provides several stages of appeal. The initial court decision can be appealed against to the appeal court (common, arbitration or administrative, depending on the type of the case). An appeal should be filed before the initial decision comes into force. The appeal court reconsiders the case and examines the legality and validity of the decision. New evidence may be filed to the appeal court if it could not be filed in the initial trial.

The resolution of the appeal court of common jurisdiction can be appealed to the Supreme Court of Ukraine. In the administrative court proceedings the resolution of the appeal court can be appealed against to the high administrative court.

The resolution of the appeal arbitration court may be appealed against to the high arbitration court of Ukraine within one month from of the decision/resolution coming into force. Within the system of arbitration courts the next stage – appeal to the Supreme Court of Ukraine – is also possible. The grounds for appeal to the Supreme Court are very limited, and the jury in the preliminary sitting decides whether the appeal should be accepted for consideration. In any case the Supreme Court is the final court of appeal in Ukraine.

Defences

25 What defences are available to a charge of infringement or dilution?

Defences are not strictly defined by Ukrainian legislation. According to the Civil Code of Ukraine a person's actions are considered to be fair and reasonable unless the court decides otherwise. Nevertheless, a party charged with infringement may use any evidence that can count in their favour. The final assessment of the grounds shall be given by court. If the adverse party owns the registered trademark, it is possible to attempt to cancel the registration by filing a lawsuit or a counterclaim if the infringement case was already initiated. Depending on the case, the party charged with infringement may also use the following grounds to prove that there is no infringement: the mark (used or registered) in question is not confusingly similar to the mark of the plaintiff; the mark is well known (has been used bona fide for a long time and acquired reputation in the market) and does not in fact infringe another mark; priority for this mark was obtained as 'prior use right', etc.

In dilution cases the most effective defence is to claim the reputation of the mark.

Update and trends

Within the last year there have been some changes with respect to border measures. Respective provisions were incorporated in the Customs Code of Ukraine and additional subordinate legislative acts were issued.

Now, in order to proceed with border measures it is necessary to make a deposit of €5,000 or bank guarantee for an equal amount.

Furthermore, if processing by Customs of the 'infringing'

goods is stopped, it is necessary to obtain within 15 days a further court resolution for seizure of such goods (previously, the filing of the claim to the court was sufficient for further seizure). The mentioned term can be extended for other 15 days. If the court resolution is not obtained, then further processing of goods by Customs is allowed.

There were also other changes introduced with respect to border measures.

All defences should be confirmed by admissible evidence.

Remedies

26 What remedies are available to a successful party in an action for infringement or dilution? How is monetary relief apportioned? Is injunctive relief available, preliminarily or permanently, and in what circumstances and under what conditions? What criminal remedies exist?

Ukrainian legislation provides that the party who considers its rights have been infringed may seek:

- cessation of the infringement;
- recognition of its rights in the trademark;
- reimbursement of damages (damages may be substituted with fixed compensation);
- compensation for moral damage;
- immediate measures in order to prevent infringement and preserve the evidence;
- to stop the import or export of goods which are infringing trademark rights;
- to seize any infringing goods from the civil circulation or even to destroy goods carrying the infringing mark;
- to seize materials and equipment used mainly for producing infringing goods; and
- to publish information about infringement in mass media.

In regard to the monetary relief, the general rule is that the losing party should pay all court costs of the successful party, including official fees, cost of court examinations, etc. If the plaintiff's claims are only partially successful, the court costs are apportioned between the parties.

According to Ukrainian legislation, both preliminary and permanent injunctions can be used. The preliminary injunction is used if there are sufficient grounds to consider that if not granted, execution of the court's decision will become more difficult or impossible. In trademark cases, the preliminary injunction often concerns seizure of infringing goods. Preliminary injunctions can be initiated by the parties or by the judge. Permanent injunctions are included in the court decision or resolution.

If a trademark infringement constitutes a criminal offence and the criminal enforcement mechanism is applied, the following punishments may be applied: fine, personal restraint or imprisonment.

ADR

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

In view of the high cost and long duration of trademark infringement cases, the parties often attempt to resolve the dispute without a court trial. According to Ukrainian legislation, the parties involved in the dispute may use arbitration, but in fact this method is rarely used. The most common method of pre-court dispute resolution is sending a warning letter to the infringer and carrying out further negotiations. In this way, it is often possible to prevent or to stop an infringement without a lawsuit. Another result that can be achieved by negotiations in regard of trademark use is a licence agreement. As said earlier, the main benefit of such methods is saving time and money.



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