

# INTELLECTUAL PROPERTY

# Интеллектуальная собственность

Major Issues related to Commercialization of Foreign  
Technology in Canada

Paul Jones

Jones & Co. 钟保禄律师事务所 Джоунс и Ко.

Canada Eurasia Russia Business Association

October 7, 2009

[www.jonesco-law.ca](http://www.jonesco-law.ca)

# Introduction: Law

- Russia is a civil law jurisdiction – comprehensive civil code based on the German model - drafted with assistance from the University of Leiden in the Netherlands
- Canada is mostly a common law jurisdiction – Québec is a mixed common law and civil law jurisdiction

# Introduction: Law

- Enforcement of Contracts –
  - World Bank – [www.doingbusiness.org/EconomyRankings](http://www.doingbusiness.org/EconomyRankings)
  - Based on procedures, time and cost
  - Russia and China tied for 18<sup>th</sup>

# Introduction: Law

- Enforcement of Contracts –
  - World Bank – [www.doingbusiness.org/EconomyRankings](http://www.doingbusiness.org/EconomyRankings)
  - Based on procedures, time and cost
  - Russia and China tied for 18<sup>th</sup>
  - Canada is 58<sup>th</sup>

# Introduction: Law

- Enforcement of Contracts –
  - World Bank – [www.doingbusiness.org/EconomyRankings](http://www.doingbusiness.org/EconomyRankings)
    - Based on procedures, time and cost
  - Russia and China tied for 18<sup>th</sup>
  - Canada is 58<sup>th</sup>
  - Brazil is 92<sup>nd</sup>; India 180<sup>th</sup> out of 181

# Intellectual Property Laws: Introduction

- January 1, 2008 all Russian IP Laws repealed

# Intellectual Property Laws: Introduction

- January 1, 2008 all Russian IP Laws repealed (except for Trade Secrets)
- Replaced with the New Part IV of the Civil Code
- Patent, Trade-mark, Copyright and other branches of IP law fully included

## Лицензионный договор – License Agreements

- One of the goals of Part IV is to improve licensing – combine IP rights with contract law
- Registration of license agreements required for registrable IP (except for copyright)



# Лицензионный договор – License Agreements

## Abuse of IP Rights –

Статья 10, Гражданский Кодекс Российской Федерации (Article 10, Russian Civil Code)

1. Не допускаются действия граждан и юридических лиц, осуществляемые исключительно с намерением причинить вред другому лицу, а также злоупотребление правом в иных формах.

Не допускается использование гражданских прав в целях ограничения конкуренции, а также злоупотребление доминирующим положением на рынке.

2. В случае несоблюдения требований, предусмотренных пунктом 1 настоящей статьи, суд, арбитражный суд или третейский суд может отказать лицу в защите принадлежащего ему права.
3. В случаях, когда закон ставит защиту гражданских прав в зависимость от того, осуществлялись ли эти права разумно и добросовестно, разумность действий и добросовестность участников гражданских правоотношений предполагаются.

# Лицензионный договор – License Agreements

## Article 10

1. Individual and juridical persons shall not exercise their rights exclusively with the intention of causing harm to the other party, or abuse their rights in any manner.

Civil rights shall not be used with the object of restricting competition, or abusing a dominant position in the market.

2. In the event of non-compliance with the requirements of paragraph 1 of this Article, the general court, arbitrazh court or tribunal may deny such person the protection of his rights.
3. Where the law makes the protection of the civil rights dependent on whether these rights have been exercised in good faith and reasonably, the good faith and reasonableness of the parties shall be presumed.

# Лицензионный договор – License Agreements

Competition Law – separate section on IP

Art. 14(2):

Unfair competition connected with acquisition and use of exclusive rights for the means of individualization of a legal person, means of individualization of production, works, services is not permitted.

- policed by the Federal Anti-Monopoly Service
- no guidelines

# О РАЗРЕШЕНИИ СПОРОВ – Enforcement

- Two Court Systems – General and Arbitrazh
- Also administrative enforcement by FAS
- No discovery, as in other civil law systems
- Costs lower - \$10,000 USD
- Surveys of foreign companies – improvement in enforcement
- Russian courts ruled in favour of owners in majority of infringement cases in 2008

# О РАЗРЕШЕНИИ СПОРОВ – Enforcement

## Dispute Resolution:

Арбитражный процессуальный кодекс – **Code of Procedure for the Arbitrazh Courts** – Art. 248(3):

**Статья 248.** Исключительная компетенция арбитражных судов в Российской Федерации по делам с участием иностранных ли ....

- 3) по спорам, связанным с регистрацией или выдачей патентов, регистрацией и выдачей свидетельств на товарные знаки, промышленные образцы, полезные модели или регистрацией других прав на результаты интеллектуальной деятельности, которые требуют регистрации или выдачи патента либо свидетельства в Российской Федерации;

# О РАЗРЕШЕНИИ СПОРОВ — Enforcement

Article 248 Arbitrazh Courts have **exclusive competence** in the Russian Federation in matters **involving foreign persons** .....

3. Disputes related to the **registration or issuance** of patents, registration and validity of trade-marks, industrial designs, utility models or other registration of rights resulting from intellectual activities that require registration or a grant of certificate in the Russian Federation.

Limited arbitration of intellectual property rights

# О патентах – Patents

Both Canada and Russia are first-to-file jurisdictions

Grace periods: Canada - 1 year

Russia – 6 months

Russia - three types:

- Invention patents – 20 year term – Art. 1363(1)
- Utility Model patents – 10 year term
- Design patent – 15 years

Extensions: Art. 1363(2) – for certain chemical patents that require approval for use extensions are possible.

# О патентах – Patents

## Russia: Non – Patentable Subject Matters:

- Discoveries, scientific theories and mathematical methods
- Aesthetic creations relating to external appearance of articles
- Rules and methods of games, intellectual or business methods
- Computer programs and algorithms
- Presentation of information
- Animal breeds and plant varieties
- Topographies of integrated circuits
- Projects and schemes of constructions, buildings and area layouts
- Solutions contrary to public interests, humanistic principles and morality



## Секреты производства (ноу-хау): Trade Secrets

- Russia: Partly in Part IV – Art. 1465-1472
- Partly in Law on Trade-Secrets/О  
Коммерческой Тайне (as amended)
- Described in Russian variously as “know-  
how” and “production secrets”

## Секреты производства (ноу-хау): Trade Secrets

- Russia: Partly in Part IV – Art. 1465-1472
- Partly in Law on Trade-Secrets/О  
Коммерческой Тайне (as amended)
- Described in Russian variously as “know-  
how” and “production secrets”

## Секреты производства (ноу-хау): Trade Secrets

- Part IV protects trade secrets only if the owner has included them in a “trade secret inventory” and taken other steps to maintain confidentiality
- And labeled all documents containing them
- Foreign licensors should ensure that these requirements are complied with

## Об авторском праве и смежных правах: Copyright

- Russia and Canada are parties to the Berne Convention
- Copyright provisions of Part IV of the Russian Civil Code meet Berne and TRIPS requirements
- Software and databases are protected by copyright

## Об авторском праве и смежных правах: Copyright

- No registration of copyright
  - Russia : except for computer programs and databases
  - Registration creates a rebuttable presumption
  - Registration of a computer program in Russia requires only the submission of identifying material

# товарный знак – Trade-marks

- Russia is a first-to-file system, Canada is a first-to-use
- Russia: no declarations of use, no evidence of use required for filing
- Russia: uses the Nice system, has multi-class applications

# товарный знак – Trade-marks

- Registration is valid for 10 years in Russia, 15 in Canada
- Registration usually takes 16-18 months
- Non-traditional marks allowed: 3D, colour, sound
- Russia: Advisable to register in both Latin alphabet and Cyrillic
- Canada: Advisable to register in both French and English

# INTELLECTUAL PROPERTY

# Интеллектуальная собственность

Major Issues related to Commercialization of Foreign  
Technology in Canada

Paul Jones

Jones & Co. 钟保禄律师事务所 Джоунс и Ко.

Canada Eurasia Russia Business Association

October 7, 2009

[www.jonesco-law.ca](http://www.jonesco-law.ca)