BOLOTOV & PARTNERS
Trademarks. Patents. Copyright.

ARTICLE

Please contact us:

Bolotov & Partners LLP
Almaty, Kazakhstan, 050008
60 Auezov Street, 6th floor, Almaty Residence business center
+7 (727) 357 23 80
info@BolotovIP.com
www.BolotovIP.com

August 2023

Patents for inventions and utility models. Part 2.

Managing partner,
Patent attorney,
Member of the
Chamber of legal
advisers

We highlighted main differences between invention and utility model patents in the first part of this article. Following is some interesting information about use and disputes.

Once a patent is issued, its owner gets an Exclusive Right to Use work protected by the patent. The third parties may not use it without the permission of the patent owner; however the right to own the patent and the rights arising from the patent may be transferred by the patent owner to the third parties in whole or in part.

The use of an industrial property object in Kazakhstan is interpreted quite broadly. It is the production, use, importation, and offer for sale, sale, other introduction of a product into business or storage for this purpose, as well as the use of a protected method.

The patent owner is obliged to use the patented work. If he does not use it or uses to an insufficient extent for the market, a compulsory license may be granted to the interested party by a court decision. There is still a lot of uncertainty in this relation as of today no such license has yet been granted in Kazakhstan.

Infringement of patent rights is also defined very broadly (although somewhat narrower than in the case of the Eurasian patent) - unauthorized production, use, importation, storage, offer for sale, sale and other introduction into business of a product created with the use of protected subject matter, as well as the use of a protected process or introduction into business of a product produced directly by a protected process is considered an infringement of the

protection document. Interestingly, unless proven otherwise, this new product is considered to have been obtained by a protected method and its producer must prove that this is not the case.

Before and after patenting, at all stages of the life cycle of industrial products, in the process of their creation, development and sale, patent research is often required on the basis of patent and other information - research into the technical level and development trends of the objects of activity, their patentability, patent purity and competitiveness. This is especially relevant for knowledge-intensive industries, in particular, the chemical-pharmaceutical industry. As it is known, years may pass from an idea to its implementation, and the patent owner often having received a patent for an interesting invention, is not always able to realize it at once. The purpose of the search determines its methodology, depth and geography, sources and, accordingly, deadlines and material costs of the search.

The following main targets can be distinguished:

- Determination of the state of the art and trends in its development;
- Checking the patentability of technical solutions (world novelty and inventive step);
- Verification of patent purity of the subject matter;
- Determination of patent-license situation and etc.

The depth of the search for determining prior art is usually 10-15 years, and the depth of the search for determining the patentability of technical solutions is again usually at least 50 years. The search is conducted through the patent databases (patents for inventions or utility models and/or published applications for inventions) of the National Institute of Intellectual Property of the Republic of Kazakhstan, WIPO, Eurasian Patent Office, European Patent Office, as well as the databases of patent offices of the leading countries of the world, such as Russia, Germany, Japan, USA, Great Britain and etc. The main types of patent searches are: subject matter name search, firm name search and search for patents analogues. The main types of patent searches are: subject, name (or company), numbering and patent-analogues searches. Several types of searches are usually applied.

One of the services provided by patent specialists is the analysis and preparation of opinions regarding patent infringements. These are usually patent attorneys with a technical background and

specialization in patent law.

This patent analysis serves to determine whether there has indeed been patent infringement. It is conducted by a specialist who is highly qualified both in patent law and in the technological field to which the patented technical solution relates, since often a judge is not properly qualified (and is not obliged to be in all fields of science and technology), has no special skills and methods to objectively assess patent infringement.

The examiner establishes whether the essential and legally protected elements and features have been used. On the basis of the results of the examination, he gives his professional opinion, where he makes conclusions on the use of the invention or utility model and gives reasons for them. The existence of such professional opinion is a very strong argument for the defense or prosecution and may change the course of the court proceedings.

Patent disputes in international legal practice refer to disputes related to the protection of rights to intellectual property objects protected by patents, namely inventions, utility models and industrial designs.

The following types of disputes are considered through the court procedure, in brackets we have indicated the jurisdiction - these are courts of civil proceedings or administrative court:

- on the authorship of an industrial property object (civil courts);
- on the lawfulness of issuing a title document (courts of civil proceedings or administrative court);
- on the invalidation of a patent (administrative court);
- establishing the patent owner (civil courts);
- issuance of a compulsory license (civil courts or administrative court);
- on infringement of the exclusive right to use the protected object of industrial property and other property rights of the patent owner (civil courts);
- conclusion and execution of license agreements for the use of a protected industrial property object (civil courts);
- on the right of pre-use and post-use (civil courts);
- payment of remuneration to the author by the employer (civil courts);
- payment of compulsory compensation (civil courts);
- other disputes relating to the protection of rights arising from a

title document.

The above list shows that the Ministry of Justice may also act as a defendant in some of the disputes, for example, if it by error issued a title document for a particular intellectual property object.

You have probably paid attention to the uncertainty of jurisdiction in cases of challenging the lawfulness of a patent or compulsory license. This is caused, for example, by the fact that the National Institute of Intellectual Property does not carry out an expert examination of the novelty of a utility model, and some other factors due to which the possibility of involving the National Institute of Intellectual Property as a defendant is not obvious.

Challenging patents in courts for non-compliance with the patentability criteria implies invalidation of the patent in whole or in part. Such court proceedings should be conducted under the procedure of administrative proceedings, which appeared in Kazakhstan not so long ago that means under the rules of the Administrative Procedure Code. This is due to the fact that the defendant in such a case will be the state or administrative body that issued the patent. However as stated above, there is no established practice yet.

A separate analysis is needed for each case, however due to the fact that practice has not been established for patent proceedings there is still no certainty.

Disputes related to the protection of patent rights with unlawful use of inventions and utility models, as a rule, belong to civil proceedings and in case of infringement of patent rights the patent owner may demand:

- termination of infringement of a title document;
- reimbursement by the infringer of the losses caused by the infringement and compensation for moral damage;
- recovery of income received by the infringer of the title document instead of reimbursement of losses;
- payment by the infringer of the title document of compensation in the amount from 10 to 50 thousand monthly calculation ratio. The amount of compensation shall be determined by the court instead of compensation for losses or recovery of income;
- seizure in its favor of products introduced into business or

stored for this purpose and found to be infringing the title document;
- mandatory publication of information related to the infringement.

Such disputes provide for consideration in courts of general jurisdiction, however in some cases criminal liability is also envisaged for patent infringement.

At the same time, the legislation also provides for the right to challenge patents if, in their opinion, the object of industrial property does not meet the criteria of patentability. Thus, in a patent infringement dispute, the defendant, using this right, may try to cancel the plaintiff's patent and thus justify the absence of infringement.

In conclusion, I would like to note once again the uniqueness of intellectual property objects. Their existence gives a monopoly, the only monopoly established and supported by the state. Intellectual property right is a unique tool, it is recommended to use it correctly and more often. All the best!