



## The concept of interested (Concerned) person to trademark in accordance with the legislation of Uzbekistan: Legal analysis and proposals

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### Abstract

The article presents scientific and theoretical analysis of the rights of interested (concerned) persons in trademark (service mark), the legal framework and procedure for their implementation, as well as the aspects of protection rights to the trademark (service mark), by the owner of the exclusive rights (absolute owner), from the demands of the interested (concerned) persons.

**Keywords:** trademark, interested (concerned) person, the owner of the exclusive rights

### Introduction

In accordance with the first paragraph of article 1102 of the Civil Code of the Republic of Uzbekistan, legal protection of a trademark (service mark) shall be provided on basis of its registration. In addition, the exclusive rights for a trademark shall be certified by certification on registration of a trademark (service mark).

The implementation of rights in relation to trademark include the followings: production of goods, giving it to another person for the purpose of temporary use, involving in business activity as a share, disposal to another person without keeping the exclusive rights to trademark.

In some cases, we interpret exclusive rights to trademark as exclusive rights to property. But this is wrong, because property rights are given to a person for life, even when one died, one's heirs possess the right to use and dispose the property and they can ensure their rights, as they wish, in the way not prohibited by law.

One of the identifying features of the property rights from the exclusive rights is specified in the first part of article 1104 of the Civil Code of the Republic of Uzbekistan: *"In case of nonuse of a trademark without good reasons at all times during five years, its registration may be cancelled by request of any interested person"*.

This means, according to the Civil Code of the Republic of Uzbekistan, owner of the exclusive rights must use the the trademark which belong to him/her. This is an imperative rule for trademark owners. We decided to clarify some points in the article 1104 of the Civil Code of the Republic of Uzbekistan. The legal status of the interested person is not regulated in detail. Besides that, certain concepts (defined in article 1104) such as "continuous non-use of trademark" and "any interested person" require deeper legal analysis.

After all, canceling of trademark ownership on a legal basis, which belong to owner of the exclusive rights, must be proven by the circumstantial facts.

If the entitled state body finds the groundless interest of other persons to trademark lawful, and decides for the benefit of other persons, this leads to violation of the rights and interests of the subject who personalized the trademark.

Trademark certificate is valid for 10 years from the date issued, in accordance with article 21 of the Law of the Republic of Uzbekistan "On trademarks, service marks and names of places of origin of the goods".

If the owner of the exclusive rights does not carry out any activity (in relation to the use of trademark) during the 5 years, it can be canceled according to the request of any interested person.

Based on the Article 25 of the Law (August 30, 2001) "On trademarks, service marks and names of places of origin of goods", *"the trademark validity, on basis of the decision of the court, may be fully or partially terminated before the deadline, if there is continuous non-use of it in any five-year period"*.

In accordance with the legislation, "When hearing the case on early termination of the validity of the certificate of trademark in connection with the non-use of it, the evidence, provided by the owner of the trademark, proving the circumstances that prevented from the use of trademark can be taken into account".

Including the concept of "interested person" in the legislation related to the legal regulation of trademarks, first of all, is causing the owners of the exclusive rights to treat the trademarks as "unnecessary items". This is being an artificial barrier to legitimate use of trademarks, which are so similar that they could be confused, or almost the same, by getting permission from relevant government agencies.

Treating trademarks as "unnecessary items" can be reflected like this: a person registers (compulsory) the trademark, in fact, he does not use it. This is "getting benefit without using" by abusing one's own interests<sup>[1]</sup>.

In this case, the negative aspects can be seen when it leads some obstacles in registration, by competing persons, of identical or similar trademarks in relation to the registered ones. As a result, use of trademarks (which are in non-use) hinders the development of the market. In order to restrict competition their owners register the same or similar to the trade marks and this is leading to the establishment of

<sup>1</sup> Kudakov A.D. Non-use of a trademark as the basis for the termination of its protection: Dissertation for the degree of Candidate of Juridical Sciences. - Moscow, 2006.

limitations <sup>[2]</sup>. Here, the interested person can apply to the competent state body with a demand from the owner of exclusive rights in the following content: *“if you are using the trademark, then give us permission to use it”*.

In protection of the interests of the interested person with regard to trademarks, first, we should define who can be the interested person and the conditions and procedures should be explored. Unfortunately, the identification and legal assessment of the interested person in trademark is not reflected in laws and normative legal acts. In law enforcement practice, this can lead to some misunderstandings, especially in consideration of the requirements for the interested person in trademark.

The provision and protection (keeping by the owner of exclusive rights the groundless (unreasonable) trademark under his/her ownership) of the rights of the interested person with regard to trademarks are regulated with administrative and procedural legislation, not with the rules of civil law.

The most important feature of the interested person is his right to make a claim in the interests of their trademark <sup>[3]</sup>. Person's interest may be allowed by the court only when there are related grounds. It would be logically wrong to use the concept of “interested person” for any person.

The concept of interested person in trademark reflected in the Paris Convention for the Protection of Industrial Property dated March 20, 1883. In accordance with the article 9 of the Convention, the interested persons could be legal and physical persons. Broader interpretation is given in article 10. According to it, “interested person is a physical or legal person (entity) who prepare, sell and produce”. The rules of this Convention are exercised in all countries, which ratified the convention, with regard to the objects of industrial property (such as invention, useful model, industrial sample, trademarks, service marks, firm names, origin of place names of items).

Legal status of “interested person” in trademark is determined and specified in the legislation of some countries. For example, in accordance with the article 1486 of the Civil Code of the Russian Federation, if the owner of the exclusive rights does not use the trademark continuously for 3 years, interested person (party) shall have the right to apply to the relevant authorities to cancel the it (the right to trademark). In accordance with the same law, the applicant as an interested person, is required to prove that the owner of the exclusive rights is not using the trademark. In turn, if the owner of the trade mark submits evidence that he/she did not use the trademark due to the reasons that are not related to him/her (for example, the company temporarily stopped production because of reconstruction, re-equipment or there has not been sufficient demand for the goods in the market), this can be taken into account <sup>[4]</sup>.

According to the article 46 and 47 of the Law on Trademarks passed in 1994, in England, any person has the to apply to cancel the registered trademark <sup>[5]</sup>. In accordance with the laws of this county, registered trademark may be cancelled by the

decision of the government body that registered it or based on the decision of the court. Similar rules to the concept of an interested (concerned) person in trademarks are given in the Laws of Germany, article 25 of the Trademarks Act, article 2 of the law on trade marks of Canada, in article 12 of the similar Law in Switzerland. In all of the above-listed countries, if the owner of the exclusive rights does not use the trademark continuously for 5 years, interested person (party) shall have the right to apply to the relevant authorities to cancel the it (the right to trademark).

In the Russian Federation, the State Patent Office Persons, which determines the interested (concerned) person in trademark, worked out Information Letter on May 20, 2009, No. 3, “On early termination of trademark as a result of non-use of trademark on the basis of the application from the interested parties”. This Letter explains the concept of interested (concerned) person expressed in article 1486 of the Civil Code of the Russian Federation.

The determination of interest (concern) of persons in trademark, in most cases, is regulated not with the norms of substantial law, but the norms of procedural law. Because a the determination of interest of persons in trademark is expressed by whether the subject has the right to claim or not. Secondly, if provided relevant evidence, examined <sup>[6]</sup> whether there is an interest or not, and as a result, the court decides whether to receive the case for hearing or not.

In accordance with the part 5 of article 25 of the Law of the Republic of Uzbekistan “On trademarks, service marks and names of places of origin of the goods” (August 30, 2001), early termination of the certificate given for the trademark is carried out by the decision of the Board of Appeal or court decision, on the basis of the application, submitted to the Agency by the trademark owner or the certificate (for the use of place name of the origin of goods) owner.

When trademark is registered but not in use, this results in appearance of exclusive rights for personalization tools such as company names, domain names.

In accordance with the paragraph 3, part 2 of article 9 of the Law of the Republic of Uzbekistan “On trademarks, service marks and names of places of origin of the goods” (August 30, 2001), the person who wants to register the trademark are grouped according to the International Classification of Goods and Services. The list of goods and a request for registration of the trade mark should be displayed. That is, the person that requested the registration of the trademark identifies that there is interest in the production of such products. The produced goods under the requested trademark determined by “Niche Agreement on International Classification of trademark and services for registration of goods”.

The person, who personalized trademark, as noted above, registers this or that class of commodity for production and produces. However, in some cases, the owner of the trademark does not have the ability to produce all the goods under the registered sign. Consequently, there exists non-use of trademark. That is, the owner of the exclusive rights does not carry out the production of certain goods. As a result, other interested parties are unable to register their trademark as owner of the exclusive rights has a class of some commodity

<sup>2</sup> Bogdanova E. Interest of a person in early termination of trademark protection // Intellectual Property. Industrial property. 2013. № 8. p. 6.

<sup>3</sup> Mikhailov S.V. Category of interest in the Russian civil law. M., 2002, p. 177-191.

<sup>4</sup> Oqyulov O. Theoretical and practical issues of legal status of Intellectual property. / Responsible editor: X.Rahmonqulov. T.: TSUL, 2004. – p. 158.

<sup>5</sup> T. Hart, L. Fazzani and S. Clarck. Intellectual Property Law. Hampshire: Palgrave Macmillan Law Masrers, 2009. p. 102

<sup>6</sup> Metlyaev D. The interest in the affairs of non-use of trademarks: admit, can't refuse // Intellectual Property. Industrial property. 2015. № 1. p. 48.

products, the production capacity of the production of goods produced. This is a priority to the earlier trademark which has been recognized as the same or similar characters associated with the condition. So, of course, this means the owner of the exclusive rights will be entitled to apply to the appropriate state agency to cancel this trademark.

If we examine the law-enforcement practice, the majority of the class will not be canceled because of not manufacture but because of certain goods not manufactured in the class, can be seen partially canceled. In particular, intellectual property rights by the Court of the Russian Federation № SIP-449/2013 is <sup>[7]</sup> partially satisfied. According to the content of the work, trademark “FIRE & ICE” was used only for the production of alcohol products like “brandy”. It was prohibited to produce vodka, whiskey, wine, rum and liqueur under this trademark. As a result, other interested parties and the owner of the exclusive rights who used the trademark “FIRE & ICE” for the production of vodka, whiskey, wine, rum, and liqueur stopped the implementation of the activities of the production of such products.

That is why, the rules of the third part of article 25 of the Law of the Republic of Uzbekistan “On trademarks, service marks and names of places of origin of the goods” (August 30, 2001) “... in accordance with the application of a person interested on the basis of the decision of the court can have partial liquidation ahead of schedule” can be understood as a partial rejection, to cancel the trademark with regard to exclusive rights, in the event of the nonuse of the registered trademark within five years.

One of the identifying features of the property rights from the exclusive rights is specified in the first part of article 1104 of the Civil Code of the Republic of Uzbekistan. In accordance with the Article 1104 of the Civil Code of the Republic of Uzbekistan, in case of nonuse of a trademark without good reasons at all times during five years, its registration may be cancelled by request of any interested person. Today, the importance of implementing this provision can be reflected in the followings: economic relations are constantly developing, increasing the volume of production of a range of goods in the same class, as well as other persons having priority in practice with the same or similar trademark registration or protection from refusal. In these cases, it would be appropriate to change the 5-year term under article 1104 (of the Civil Code of the Republic of Uzbekistan) to 3 years.

Based on the above, the followings are the factors which show the interest of interested (concerned) person in the trademark:

- product is manufactured under the trade mark (the hanging of trademark as advertisement, for the conclusion of sale-purchase agreement);
- provision of required technology of interested person the legal and physical persons (individual entrepreneurs) for the production of the product under the trademark;
- submission of the application, with the evidence, to the appropriate state agency;
- display of to which trademark is given the evidence;
- the most important, conclusion of expertise examination which shows the entity’s dominant position in the proposed trademark before the goods with the same or similar features.

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<sup>7</sup> Decision of the Court on Intellectual rights dated 17.04.2014 case № SIP-449/2013