

## Article: Remedy against trademark infringement

24 May 2017

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Published in Paragraph and in “Курсив” newspaper from 12.05.2016

Kazakhstan legal framework provides a legal protection for owners of intellectual property. This article focuses on trademark infringement and legal actions available to protect brands.

**Copying.** Unauthorized use of brand can be done whether fully or partially. For instance, Apple Inc. has a registered trademark Apple. Let's assume, company B in Kazakhstan produces electronic products under with logo Apple on it. Such use will be considered as an identical copy of all trademark elements. This identical copy will be regarded as a trademark infringement.

The most popular type of trademark infringement is a partial copying to make it confusingly similar to the trademark. The Kazakhstan laws consider it as a whole to the extent of mixture of different elements of the trademark. The infringer simply imitates a trademark, for example, Colgate and Coldate, Adidas and Adibas, Samsung and Sumsung.

Our practice shows that trademark infringement by full copying are decreasing, while the partial copying to get consumer confusion, are getting more frequent in Kazakhstan. It is not hard to prove in Kazakh court that full copying of the brand is an obvious infringement. However, to establish trademark infringement in cases of mixed copying is a much complicated task for a legal practitioner in Kazakhstani court.

**Import regulations.** The import of goods to Kazakhstan without the brand owner consent is almost impossible. The customs authorities will not give their permission. For example, some local company imports to Kazakhstan air conditioning equipment with Panasonic logo. Let's assume the importer does not have any rights to import goods with Panasonic logo. Such import can be seen as infringement of the owner's exclusive rights to the import of Panasonic brand into Kazakhstan.

**Unauthorized production of goods.** Let's assume a famous worldwide company producing furniture has a registered and protected trademark in Kazakhstan, while it has no furniture production in Kazakhstan. Let's assume a local company in Kazakhstan starts manufacturing furniture under the brand name of the famous worldwide company, even though it does not know that trademark is duly registered and protected under the Madrid Convention. In this case, it is obvious that a local company infringes the owner rights of the registered trademark, i.e. of a famous worldwide company.

**Unauthorized brand use in advertising.** Kazakhstan laws forbid using someone else's trademark in any manifestation. Such usage in advertising of someone goods or production, and other forms and types of unauthorized usage are initially considered as illegal. It is necessary to get a prior consent the brand owner to use the brand in any commercial or non-commercial operations.

**Legal consequences of trademark infringement.** Legal remedies-differ from case to case. In most court cases the judges rule in favor of the legal owner of the registered trademark. Nonetheless, when the cases are controversial, the legal outcome depends on each specific court case.

**Litigation.** The owner or holder of trademark has a right to sue a trademark infringer in a court. The right holder can claim: (1) terminate and stop the trademark infringement actions; (2) destruct the consignment; and (3) compensate for damages and losses. The compensation is not limited and depends on evaluation evidences in the courts.

**Destruction of the unauthorized consignment.** Kazakhstan administrative laws implied withdrawal, destruction or confiscation of goods that infringes someone's trademark. The state bodies like justice authorities, anti-corruption service or tax authorities submit claims on trademark violation to the administrative court. The administrative court is entitled to either to fine the company with penalty of 200,000 Tenge, a Kazakh national currency, or to confiscate goods without compensation or reimbursement.

**Import of goods into Kazakhstan.** Kazakhstan Customs Code protects the rights and interest of trademark owners and holders. In case commodities are included in the customs register of trademarks, the customs authorities verify whether the goods are imported with the consent of trademark owner. The customs authorities are obliged to suspend the release of goods for ten working days. Later on they inform to the owner of the trademark about the import of such goods with the use of his trademark. Whenever a dispute between the right holder and trademark infringer takes place, the customs authorities will suspend the customs clearance until the court's decision. As a result, the goods with the trademark will not be allowed for customs clearance and later the customs authorities will ask for the reimbursement of the temporary storage costs.

**Anti-monopolistic investigation.** The remedy of trademark can be considered as an unfair competition and anti-monopoly authority can initiate an anti-monopolistic investigation.

The infringer in this case can be subject to an administrative liability, where the consequences can take the form of a fine in the amount of approximately 3.1 million Tenge.

**Criminal prosecution.** The law enforcement authorities can initiate pre-trial criminal investigation on trademark infringement. It is enough for an infringer to be a subject for criminal prosecution in case when: (1) this infringer has two administrative charges for the infringement; (2) this infringer is obliged to recover damages exceeding 2.12 million Tenge. Kazakhstan criminal law considers the trademark infringement as a criminal misdemeanor, for which the punishment may be in the form of either public works, or correctional labor or fine or imprisonment up to 70 days.

In summary, we observe the Kazakhstan law is effective and enforceable for trademark rights protection.

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