

LAW OF UKRAINE
ON PROTECTION OF RIGHTS TO INDUSTRIAL DESIGNS

December 15, 1993

No. 3688-XII

as amended by
Laws of Ukraine,
dated 21 December, # 2188-III

(In text of the Law, word “Agency” is replaced
with the word “Institution” in applicable cases,
pursuant to Law of Ukraine # 2188-III, dated 21 December 2000)

This Law shall regulate issues and matters arising out of or in connection with the acquisition and exercise of the right of ownership to industrial designs in Ukraine.

CHAPTER 1. GENERAL PROVISIONS

ARTICLE 1. DEFINITIONS

In this Law, the terms used hereinafter shall have the following meanings:

‘Institution’ shall mean a central agency of executive power in charge of legal protection of intellectual property;

(Paragraph 2 of Article 1 as restated by
Law of Ukraine # 2188-III, dated 21 December 2000)

‘industrial design’ shall mean a result of creative work of a person in the sphere of styling (artistic designing);

‘author’ shall mean a person, with whose creative work an industrial design has been developed;

‘patent’ shall mean a patent of Ukraine on an industrial design;

‘patented industrial design’ shall mean an industrial design for which a patent has been issued;

‘person’ shall mean a natural person or a legal entity;

‘application’ shall mean the totality of documents required for issuing a patent;

‘applicant’ shall mean a person who files an application;

‘priority application (priority)’ shall mean being first in filing an application;

‘date of priority’ shall mean a date of filing an application with the Institution, or with the respective state body of a country that is a state party to the Paris Convention for the Protection of Industrial Property, under which priority is claimed;

‘employer’ shall mean a person who has employed an author under a labor agreement (contract);

‘Register’ shall mean the State Register of Patents of Ukraine on Industrial Designs.

‘Appellate Chamber’ shall mean a collegial body of the Institution designated to examine challenges against decisions of the Institution as to the acquisition of rights to intellectual property;

(Article 1 supplemented with Paragraph 14
pursuant to Law of Ukraine # 2188-III, dated 21 December 2000)

‘Expert institution’ shall mean a state organization (enterprise, organization) authorized by the Institution to review and expertly assess applications;

(Article 1 supplemented with Paragraph 15
pursuant to Law of Ukraine # 2188-III, dated 21 December 2000)

‘State system of protection of intellectual property’ shall mean the Institution and the entirety of expert, scientific, educational, informational and other respectively specialized state organizations that are under the jurisdiction of the Institution.

(Article 1 supplemented with Paragraph 16
pursuant to Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 2. AUTHORITIES OF THE INSTITUTION IN THE FIELD OF PROTECTION OF INDUSTRIAL DESIGNS

1. The Institution shall ensure implementation of state policies in the field of protection of rights to industrial designs in Ukraine, and to that effect shall:

organize receipt of applications and performance of expert examinations thereof, and adopt decisions on such applications;

issue patents on industrial designs and register industrial designs;

ensure publication of official information on registered industrial designs;

engage in international cooperation in the field of legal protection of intellectual property and shall represent interests of Ukraine in matters of protection of rights to industrial designs in international organizations pursuant to applicable law;

issue regulatory rules [normative acts] according to the prescribed procedures, within the limits of its authority;

organize informational and publishing activities in the field of legal protection of intellectual property;

organize research concerned with improvements of legislation and the structure of activities in the in the field of legal protection of intellectual property;

organize activities concerned with personnel retraining within the state system of legal protection of intellectual property;

assign institutions within the state system of legal protection of intellectual property to carry out, according to their specialization, certain tasks as are specified by this Law, the Enabling Rules on the Institution, other regulatory rules in the field of legal protection of intellectual property;

discharge other functions pursuant to its Enabling Rules approved in accordance with the prescribed procedure.

2. Activities of the Institution shall be financed with funds of the State Budget of Ukraine.

(Article 2 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 3. INTERNATIONAL TREATIES

If an international treaty of Ukraine contains rules other than those envisaged by Ukrainian legislation on industrial designs, the rules of the international treaty, to which binding force the Supreme Rada of Ukraine has given its consent, shall apply.

Article 4. Rights of Foreign Nationals and other Persons

1. Foreign nationals and stateless persons shall enjoy rights provided hereunder on an equal basis with citizens of Ukraine according to the international agreements of Ukraine or on the basis of the reciprocity principle.

2. Foreign nationals and other persons who have residence or domicile outside Ukraine shall exercise their rights in relations with the Institution through representatives registered according to the Regulation on Intellectual Property Representatives approved by the Cabinet of Ministers of Ukraine.

CHAPTER II. LEGAL PROTECTION FOR INDUSTRIAL DESIGNS

ARTICLE 5. CONDITIONS FOR PROVISION OF LEGAL PROTECTION

1. Legal protection shall be granted to an industrial design that does not contradict to public interests, principles of humanity and morals and complies with conditions of patentability.

2. Embodiments of an industrial design may be presented in a form, picture or colored picture, or their combination, which determine the outlook of the industrial product and are designed for meeting aesthetic and ergonomic requirements.

3. In accordance with this Law, the following shall not receive legal protection:

objects of architecture (except for small architectural forms), industrial, hydro-technical, and other fixed constructions;

published products as such;

objects of unstable forms made of rare, gas-like, sand-like or suchlike substances, etc.

4. Peculiarities of legal protections of industrial designs considered as state secrets shall be established by special laws.

5. The right of ownership to an industrial design shall be evidenced by a patent.

The term of a patent on an industrial design shall be 10 years from the date of filing the application with the Institution, and shall be extended by the Institution at the request of the holder of the patent, but no more than for 5 years.

The term of the patent shall be terminated prior to its expiration under conditions specified in Article 24 of this Law.

6. The scope of legal protection granted shall be determined by the totality of essential characteristics of an industrial design as depicted on photos of the product (its scale model, picture). The characteristics shall be construed within the limits of the description of the industrial design.

Article 6. Conditions of Patentability of an Industrial design

1. An industrial design meets the conditions of patentability, if it is new and industrially applicable.

2. An industrial design shall be recognized as new, if the totality of its essential characteristics is not publicly available in the world before the date of filing the application with the Institution or, priority is claimed, before the date of its priority. In addition, in the process of determining the novelty of an industrial design, the contents of all applications filed previously with the Institution shall be taken into consideration.

3. Disclosure of information by an author or a person, who has obtained such information from the author directly or indirectly, shall not affect recognition of an industrial design as patentable within six months before the date of filing with the Institution an application or, if priority is claimed, before the date of its priority. In such case, the burden of proof of circumstances, under which the information was disclosed, shall be borne by the person interested in the application of this Point.

4. An industrial design shall be recognized as industrially applicable if it can be used in production or other spheres of activity.

CHAPTER III. RIGHT TO OBTAIN A PATENT

ARTICLE 7. RIGHT OF THE AUTHOR

1. The right to obtain a patent shall be vested with an author or his heir, unless otherwise provided by this Law.

2. Authors who have jointly developed an industrial design shall have equal rights to obtain a patent, unless otherwise provided by an agreement among them.

3. In case of revision of terms and conditions of the agreement on the composition of

authors, the Institution shall make changes in applicable documents according to the procedure specified by the Institution, at the joint request of persons named in the application as authors and authors who are not stated as such in the application.

4. The author of an industrial design shall enjoy the right of authorship, which is an inalienable personal right and shall be protected perpetually.

ARTICLE 8. RIGHT OF THE EMPLOYER

1. The right to obtain a patent shall be vested with an employer if the industrial design has been developed as a result of performance of work duties, or by a special order from the employer, unless otherwise provided by the employment agreement (contract). The employer shall conclude a written agreement with the author and, pursuant to the conditions of such agreement, shall pay a fee to the author based on economic value of the industrial design and any other benefit, which has been derived by the employer from the industrial design.

Disputes arising out of or in connection with conditions of receipt of fees and fee amounts shall be settled in court.

2. The author of an industrial design shall provide written notice to the employer of an industrial design that has been developed by him, together with materials disclosing the essence of the industrial design in a sufficiently clear and complete manner.

If, within four months from receipt of such notice, the employer does not file an application, with the Institution, the right to obtain a patent shall be transferred to the author.

ARTICLE 9. RIGHT OF THE LEGAL SUCCESSOR

The right to obtain a patent shall be vested with the author's or employer's successor, respectively.

ARTICLE 10. RIGHT OF THE FIRST APPLICANT

The right to obtain a patent on an industrial design developed due to separate efforts shall be vested with an applicant whose application has a more earlier date of filing with the Institution or, if priority is claimed, a more earlier date of priority, provided that the specified application will not deemed to have been withdrawn, has not been withdrawn or rejected.

CHAPTER IV. PROCEDURES FOR OBTAINING A PATENT

ARTICLE 11. THE APPLICATION

1. The person who wants to receive a patent and has the right thereto shall file an application with the Institution.

2. An application may be filed, as instructed by an applicant, through an intellectual property representative, or some other authorized person.

3. The application shall relate to one industrial design, and may contain variants of it (the oneness requirement).

4. The application shall be drawn up in Ukrainian, and shall include:
- an application for a patent;
 - a set of photos depicting the industrial design (its scale model, picture), which give a full presentation of the outlook of the design;
 - a description of the industrial design;
 - a drawing, scheme, blueprint (where necessary).
5. The application for a patent shall specify the identity of an applicant (applicants), his address(es), and also the identity of an author (authors).
- The author shall have the right to demand not to be mentioned as the author in any publication of the Institution, specifically in the information on the application and patent.
6. The application shall describe the essence of an industrial design in a sufficiently clear and complete manner so that a specialist in the applicable area would be able to realize it.
7. Other requirements as to documents and materials in an application shall be established by the Institution.
8. A fee shall be paid for filing an application. The document confirming payment of the fee must be received by the Institution together with the application or within 2 months of the application filing date.

ARTICLE 12. APPLICATION FILING DATE

1. The application filing date shall be the date of receipt by the Institution of documents and materials, which contain at least:
- an application for a patent written in Ukrainian in arbitrary form;
 - information about the applicant and his(its) address written in Ukrainian;
 - picture of the industrial design providing the idea of its outlook;
 - a part of materials making an impression of being a description of the industrial design, written in Ukrainian or another language. In the latter case, the translation of this part of materials in Ukrainian must be received by the Institution within two months of the application filing date in order to preserve the application filing date.
2. If the Institution believes that at the moment of receipt, documents and materials contained in the application do not comply with the requirements of Point 1 of this Article, it shall notify the applicant thereof.

Two months following the receipt by an applicant of notice from the Institution shall be granted for introducing changes in the documents and materials. If inconsistencies are

rectified within the said time, then the date of receipt of the amended materials by the Institution will be deemed to be the application filing date. Otherwise, the application shall be deemed not to have been filed, whereof the applicant shall be notified.

3. If there are references to a drawing (scheme, blueprint) in an application containing documents and materials mentioned in Point 1 of this Article herein, but such drawing (scheme, blueprint) has not been received by the Institution as of the date of application receipt, the Institution shall notify the applicant thereof, and shall suggest that he either send the drawing (scheme, blueprint) or delete the reference thereto from the application, at his option.

If the Institution receives the drawing (scheme, blueprint) within 2 months of the date of the applicant's receipt of notice from the Institution, then the date of receipt of such drawing (scheme, blueprint) by the Institution shall be deemed to be the application filing date. If the applicant fails to make the offered choice within the same time limit, the application shall be deemed not to have been filed, whereof the applicant shall be notified.

4. A decision determining an application filing date shall be sent by the Institution to an applicant upon receipt of the document confirming payment of the application filing fee in accordance with Point 8 of Article 11 hereof. In case of violation of the requirements of Point 8 of Article 11 hereof, the said decision shall not be sent, and the application shall be deemed to have been withdrawn..

ARTICLE 13. PRIORITY

1. An applicant shall enjoy a right to priority of a preliminary application for the same industrial design within 6 months of the date of filing the preliminary application with the Institution or an appropriate body of a state party to the Paris Convention for the Protection of Industrial Property, if no priority is claimed in respect of the preliminary application.

2. Priority of an industrial design used as an exhibit at official or officially recognized international exhibitions held on the territory of a state party to the Paris Convention for the Protection of Industrial Property may be set as of the date of exhibition opening, if the application was filed with the Institution within 6 months from the specified date.

3. An applicant who wants to use the right of priority shall, within three months from the date of filing the application with the Institution, file an application for priority, specifying the date and number of the previous application and attaching the copy thereof, if such application was filed in a foreign country that is a state party to the Paris Convention for the Protection of Industrial Property, with a Ukrainian translation, or a document confirming a display of the said industrial design at exhibitions held on the territory of a country that is a state party to the Paris Convention for the Protection of Industrial Property. Within the specified time limit, the said documents and materials may be amended. If these documents and materials are not filed in a timely manner, the right of priority of the application shall be deemed to have been lost, whereof the applicant shall be notified.

4. Priority of several preliminary applications may be claimed in respect of the application as a whole or a part thereof. At that, time periods which commencement date is the date of priority shall be calculated from the earliest date of priority.

5. Priority shall extend only onto those characteristics of an industrial design that are stated in the filed application, which priority is claimed.

6. If processing the preliminary application has not been completed by the Institution, then, upon receipt of an application for priority under Point 3 of this Article, the preliminary application shall be deemed to have been withdrawn to the extent to which priority is claimed.

ARTICLE 14. EXPERT EXAMINATION OF AN APPLICATION

1. Expert examination of an application shall be carried out by an expert institution in accordance with this Law and rules established by the Institution on the basis of this Law.

In the course of an expert examination, the expert institution shall send notices, inquire and conclusions to the applicant. At that, conclusions of the expert institution shall acquire, upon their ratification by the Institution, the status of decisions of the Institution.

2. On his own initiative or at the request of an expert institution, an applicant may, either in person or through his agent, in the manner prescribed, participate in the consideration of issues which have arisen in the course of the expert examination.

3. An applicant shall have the right to amend and clarify the application on his own initiative. Such amendments and clarifications shall not be taken into account, if they were received by the expert institution after the applicant's receipt of a decision issuing a patent or rejecting the application.

A fee shall be paid for filing requests to amend and clarify an application on an applicant's initiative following his receipt of a decision on the deadline for filing the application.

4. If the applicant has filed additional documents and materials, then it shall be determined in the course of an expert examination whether they fall within the scope of the essence of the industrial design as disclosed in the filed application.

The additional documents and materials do not fall within the scope of the essence of the industrial design as disclosed in the filed application, if they contain new essential characteristics.

Additional documents and materials in the part falling outside the essence of the industrial design as disclosed in the filed application shall not be taken into account in the course of reviewing the application, and may be filed by the applicant as a separate application.

5. After the date of filing an application has been determined, and if there is a document confirming payment of the fee, the formal expert examination of the application shall be carried out, during which:

it shall be determined whether an object applied for belongs to the objects specified in Point 2 of Article 5 hereof;

the application shall be verified as to its compliance with the requirements of Article 11 hereof.

it shall be determined whether a document confirming payment of an application filing fee complies with the established requirements.

6. If the application does not comply with the requirements of Article 11 hereof or the document confirming payment of the application filing fee does not comply with the established requirements, the applicant shall notified thereof in writing.

In case of violation of the requirement of the oneness of an industrial design, it shall be suggested the applicant advise as to which industrial design should be considered and, if necessary, make clarifications to the application. In this case, other industrial designs may become subject matter of separate applications.

The applicant shall be provided an opportunity to amend the documents and materials within two months from the date of notice from the expert institution. If the oneness requirement has not been met within this period, the expert institution, in the course of performing a formal expert examination, shall consider the industrial design specified first in the description. If other inconsistencies are not rectified within the same period, and the applicant fails to file a reasoned request for the extension of the said period, the applicant shall be sent a decision to reject the application.

7. If the application meets the requirements of Article 11 of this Law, and the document confirming payment of the application filing fee has been competed correctly, the applicant shall be sent a decision issuing a patent.

8. The applicant shall have the right to familiarize himself with all materials mentioned in the inquiry by the expert institution or a decision of the Institution. Copies of patent materials requested by the applicant shall be sent within one month.

9. The time periods specified in this Article that have been missed by an applicant may be renewed if there are serious reasons therefor. A request for renewal of a time period must be received by an expert institution within 6 months of the date of expiry of the missed time period.

(Article 14 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 15. WITHDRAWAL OF AN APPLICATION

An applicant shall have the right to withdraw an application at any time before receiving a decision issuing a patent.

ARTICLE 16. PUBLICATIONS ON THE ISSUE OF A PATENT

1. On the basis of a decision on issuing a patent, and if there is a document confirming payment of a state duty for issuing a patent, the Institution shall publish information, as determined in the prescribed manner, on issuing the patent in its official bulletin.

If within three months after the receipt by the applicant of a decision on issuing a patent, the expert institution has not received the document confirming payment of a state duty for issuing the patent in amounts and under procedures provided by law, no publication shall be effected, and the application shall be deemed to have been withdrawn.

2. Upon publication of information on issuing a patent, any person shall have the right to familiarize himself with materials contained in the application according to the specified procedure.

(Article 16 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 17. REGISTRATION OF A PATENT

Simultaneously with publication of information on the issuance of a patent, the Institution shall register the patent on an industrial design, for which purpose relevant data will be entered in the Register. The form of the Register and Register keeping procedures shall be determined by the Institution.

2. Upon publication of the data, any person shall have the right to familiarize himself with such data according to the procedure specified by the Institution.

3. Data entered in the Register may be amended and/or clarified upon initiative of the patent holder or the Institution. Upon initiative of the holder of a patent, changes can be made to the Register pursuant to the approved list of possible changes. A fee shall be paid for making changes in the Register regarding a patent.

(Article 17 is supplemented with Point 3 pursuant to
Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 18. ISSUE OF A PATENT

1. A patent shall be issued by the Institution within one month upon its state registration. A patent shall be issued to an eligible person. If several persons are eligible to obtain the same patent, one patent shall be issued to them.

A declarative patent shall be issued subject to the patent holder taking responsibility without guarantees of the patent's validity.

2. The form of a patent and the essence of information provided therein shall be specified by the Institution.

3. The Institution shall correct obvious mistakes in the issued patent at the request of the patent holder, with subsequent announcement to this effect in the official bulletin.

ARTICLE 19. CHALLENGES AGAINST THE DECISION IN RESPECT OF AN APPLICATION

An applicant may challenge any decision by the Institution in respect of an application with the Appellate Chamber within 3 months of the date of his receipt of the Institution's decision or copies of the requested patent materials.

An objection against a decision of the Institution in respect of an application shall be adjudicated by the Appellate Chamber within 4 months upon receipt of such objection based on reasons as set forth in the objection.

Based on results of adjudication of the objection, the Appellate Chamber shall pass a decision that will be approved by order of the Institution, and shall be sent to the applicant.

Prior to approval of a decision of the Appellate Chamber, within one month from the date of such decision, the Head of the Institution may bring a protest against this decision, which protest shall be considered within one month. The decision of the Appellate Chamber adopted under the protest shall be final and may be cancelled only by the court.

The applicant may challenge a decision of the Appellate Chamber that has been approved by the Institution in court within six months following the receipt of the decision.

(Article 19 as restated by
Law of Ukraine # 2188-III, dated 21 December 2000)

CHAPTER V. RIGHTS AND OBLIGATIONS RESULTING FROM THE PATENT

ARTICLE 20. RIGHTS RESULTING FROM A PATENT

1. Rights resulting from a patent shall become effective as from the date of publication of information on the issue of the patent, provided that an annual fee for maintaining the validity of the patent has been paid.

2. The patent shall confer on its holder the exclusive right to use the industrial design at his discretion, unless such use infringes upon rights of other patent holders.

Relations in the course of use of an industrial design, for which the patent is held by several persons, shall be determined by an agreement among such persons. If such agreement is absent, each patent holder may use the industrial design at his discretion; however, none of them shall have the right to grant a permit (a license) for using the industrial design, and transfer the title to the industrial design to another person without a consent of the other holders of the patent.

The following shall be considered to constitute the use of an industrial design:

- manufacture, offering for sale, introducing into business circulation, or storage for the above mentioned purposes, of a product, which has been manufactured with use of the patented industrial design;

A product shall be recognized to have been manufactured with use of a patented industrial design, if all essential characteristics of the industrial design have been used.

3. The patent shall confer upon its holder the right to prohibit other persons to use an industrial design without his consent, except for cases when such use is not considered hereunder to constitute an infringement upon rights of the patent holder.

4. A patent holder may transfer title to an industrial design on a contractual basis to any person, who becomes a successor of the patent holder.

5. A patent holder shall grant a permit (license) to any person for the use of an industrial design on the basis of a licensing agreement.

6. An agreement for the transfer of title to an industrial design and a licensing agreement shall be deemed valid, if they have been executed in writing and signed by the parties thereto.

Transfer of title to an industrial design and granting of a license to use an industrial design shall be binding on any other person as of the date of publication of information thereon in the official bulletin and entry thereof in the Register.

Fees shall be paid for entering the specified information in the Register and changes thereto as are initiated by parties to an agreement.

(Point 6 of Article 20 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

7. The holder of a patent shall have the right to submit to the Institution for official publication a statement of willingness to grant any person a permit to use the patented industrial design. In this case, the annual fee for maintaining the validity of the patent shall be reduced by 50 per cent starting from the year, which follows the year of publication of such statement.

A person who desires to make use of such permit shall be obligated to conclude an agreement on fees with the holder of the patent. Disputes arising in the course of concluding and performing such agreement shall be settled in court.

If no person has announced his intentions to use the industrial design to the patent holder, the latter may submit to the Institution a written request for revocation of his statement. In this case, the annual fee for maintaining the validity of the patent shall be paid in full starting from the year, which follows the year of publication of such request.

8. Rights arising from a patent shall not affect any other personal property or non-property rights of the author of an industrial design, which are governed by other laws of Ukraine.

ARTICLE 21. FORCED ALIENATION OF RIGHTS

1. Proceeding from public interests and national security interests, the Cabinet of Ministers of Ukraine may permit use of a patented industrial design without consent of its owner, but subject to the payment of appropriate compensation to such owner.

2. Disputes concerning conditions of granting permits, payment of compensation and compensation amounts shall be settled in court.

ARTICLE 22. ACTIONS WHICH ARE NOT CONSIDERED AS INFRINGEMENTS UPON RIGHTS

1. Any person, who has, before the date of filing an with the Institution or, if priority is claimed, before the date of its priority, in the interests of his activities, used in good faith an industrial design claimed in Ukraine or has made considerable and serious preparations for such use, shall retain the right to a free-of-charge continuation of such use or the right to use the industrial design as was envisaged in the above referenced preparations (the right of prior use).

The right of prior use may be assigned or transferred to another person only together with the enterprise or the business practice or the part of the enterprise or business practice, wherein the applied-for industrial design was used or considerable and serious preparations for such use were made

2. Use of a patented industrial design shall not be considered to be an infringement upon rights granted by the patent:

- in a design of, or in the course of operation of, a transport vehicle of a foreign state that is temporarily or occasionally in the waters, air space or within the territory of Ukraine, provided that the industrial design is used solely for the purposes of the specified transport vehicle;

- not for commercial purposes;

- for scientific or experimental purposes;

- under force majeure circumstances (acts of God, catastrophes, epidemic, etc.).

3. Introducing into business circulation of a product manufactured with use of the patented industrial design, after such product has been introduced into business circulation by the holder of the patent or by a special permit from him, shall not be considered as an infringement of rights granted by the patent.

ARTICLE 23. OBLIGATIONS UNDER THE PATENT

1. The holder of a patent shall use his exclusive right resulting from the patent in good faith.

If an industrial design is not used or is insufficiently used in Ukraine for three years from the date of publication of information on issuing the patent or from the date on which use of the industrial design was suspended, any person, who is willing and ready to use the industrial design, may bring action in court (arbitration court), seeking the grant to him/her of a permit to use the industrial design, in the event of refusal by the holder of the patent to conclude a licensing agreement.

If the holder of the patent fails to prove that the industrial design has not been used or has been insufficiently used due to serious reasons, the court (arbitration court) shall pass a decision to grant a permit to use the industrial design to the interested person, indicating the

scope of such industrial design use, the term of the permit, and amounts and procedures of fee payments to the holder of the patent.

2. The holder of a patent shall grant a permit (license) to use an industrial design to the holder of a patent issued later, if the industrial design of the latter is designated to achieve some other purpose, or has considerable technical and economic advantages, and can not be used without infringing upon the rights of the first holder. In such case, the grant of such permit may be conditioned by a respective permit from the holder of the patent issued later, who is obligated to grant a permit, if his industrial design improves the previous industrial design of the holder of the patent issued earlier, or is designated to achieve the same purpose. The permit shall be granted within the limits necessary for using the industrial design by the holder of the patent, who has requested such permit.

Disputed regarding licenses shall be settled in court.

CHAPTER VI. TERMINATION AND INVALIDATION OF A PATENT

ARTICLE 24. TERMINATION OF THE PATENT

1. At any time, a patent holder may renounce a patent in full or in part on the basis of an application filed with the Institution. Such renunciation shall become effective as from the date of publication of information thereon in the official bulletin of the Institution.

2. A patent on an industrial design shall be terminated in case of failure to pay an annual fee for maintaining the validity of the patent.

The annual fee shall be paid for each year of patent validity starting from the application filing date. The document confirming the first payment of the said fee must be provided to the Institution simultaneously with the document confirming payment of the fee for issuing the patent. The document confirming payment of the fee for each subsequent year must be received by the Institution till the end of the current year, provided that the fee has been paid within the last two months of the year.

The annual fee for maintaining the validity of a patent may be paid, and the document confirming payment thereof may be received by the Institution, within 6 months following the established period. In this case, the annual fee amount shall be increased by 50 per cent.

The patent shall be terminated from the first day of the year, for which no fee was paid.

ARTICLE 25. INVALIDATION OF A PATENT

1. A patent may be declared by the court to be invalid in full or in part, in case of:

a) non-compliance of a patented industrial design with the patentability conditions specified in this Law;

b) existence, within the totality of essential characteristics of an industrial design, of characteristics that were not included in the filed application;

c) violation of the requirements of Point 2 of Article 29 hereof.

2. In order to have a patent invalidated, any person may file a request, requesting an expert examination of the patented industrial design as to its compliance with the patentability conditions. A fee shall be paid for filing such a request.

3. The Institution shall announce of invalidation of a patent or a part thereof in its official bulletin.

4. A patent or a part thereof, which are invalidated, shall be deemed not to have come into force as of the date of publication of information on the issue of the patent.

(Article 29 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

CHAPTER VII. PROTECTION OF RIGHTS

ARTICLE 26. INFRINGEMENT UPON RIGHTS OF THE PATENT HOLDER

Any infringement upon rights of a patent holder envisaged by Article 20 of this Law shall be deemed to constitute an infringement upon the rights of the patent holder, entailing liability as provided by applicable Ukrainian law.

2. By demand of the patent holder, such infringement must be discontinued, and the violator shall be obligated to reimburse the patent holder for losses caused.

A person who has acquired a license may also require restoration of the infringed rights of the patent holder, unless otherwise provided by the licensing agreement.

ARTICLE 27. DISPUTES TO BE SETTLED IN COURT

1. Disputes arising from or related to application of this Law shall be settled in a court, court of arbitration or reconciliatory tribunal according to procedures provided by applicable Ukrainian law.

2. According to their competence, courts shall consider disputes related to:

- authorship of an industrial design;
- ascertaining of a patent holder;
- infringement upon property rights of a patent holder;
- conclusion and performance of licensing agreements;
- the right of prior use;
- fees payable to an author;
- compensation.

Courts shall also consider other disputes related to protection of rights conferred by this Law.

CHAPTER VIII. FINAL PROVISIONS

ARTICLE 28. STATE DUTIES AND FEES

Amounts and procedures of payment of state duties for issuing patents on industrial designs shall be specified by law.

Funds received from the payment of fees and state duties for the issue of patents shall be transferred to the State Budget of Ukraine.

Amounts of fees as specified by this Law, time periods and procedures of fee payment shall be specified by the Cabinet of Ministers of Ukraine.

Fees provided for by this Law shall be paid into settlement accounts of institutions authorized by the Institution which are part of the state system of legal protection of intellectual property and fulfill, according to their specialization, certain tasks specified in this Law.

Monies as a result of payment of fees provided by this Law shall be deemed to be special-purpose funds and shall be, by orders of the Institution, used exclusively for ensuring the development and functioning of the state system of legal protection of intellectual property, specifically for accomplishing tasks specified in this Law and other regulatory and legal acts in the field of intellectual property.

(Article 28 as restated
by Law of Ukraine # 2188-III, dated 21 December 2000)

ARTICLE 29. REGISTRATION OF AN INDUSTRIAL PATENT IN FOREIGN COUNTRIES

1. Any person shall have the right to patent an industrial design in foreign countries.

2. Prior to filing an application for a protective document in respect of an industrial design with a body of a foreign country, an applicant shall be obligated to file an application with the Institution and notify it of his intent to effect such patenting.

In the event that no prohibition has been issued within 3 months following the receipt of such notice by the Institution, an application for a patent on an industrial design may be filed with a body of a foreign country.

If necessary, the Institution may allow patenting an industrial design in foreign countries before the expiry of the above period.

3. Expenses relating to the patenting of an industrial design in foreign countries shall be borne by an applicant or, upon his consent, by some other person.

ARTICLE 30. STATE ENCOURAGEMENT OF DEVELOPMENT AND USE OF INDUSTRIAL DESIGNS

The State shall encourage the development and use of industrial designs, provide tax benefits and privileged borrowing conditions for authors and persons using industrial designs, and shall grant them other privileges according to applicable Ukrainian law.

L. Kravchuk
President of Ukraine