

ELITE PARS

LAW FIRM

At a Glance *Series*

TRADEMARK PROTECTION UNDER IRANIAN LAW

Elite Pars Law

Second Floor, 42 Soltani St.
Valiasr Ave. Tehran.

+98 21 22 01 6586
elitepars.com

Protection of intellectual property rights (IPRs) in Iran is vital to doing business in this market. As the volume of infringement of IPRs is considerable, we strongly advise our clients to have a specific plan for protection of their IPRs in Iran before entering the market.

Main laws pertinent to IPRs are Patents, Industrial Designs and Trademarks Registration Act (PITRA, 2008), Act for Protection of Geographical Indications (2005), Electronic Commerce Law (2003), Act of Plant Varieties Registration, Control and Certification of Seeds and Seedlings (2003), Act on the Protection of Rights of Computer Software (2000), Translation and Reproduction of Books, Periodical and Phonograms Act (1973) and Act for Protection of Authors', Composers' and Artists' Rights (Copyright Law) (1970).

Meanwhile, other laws such as Customs law (2011), Law No 8786 on Fashion and Clothing (2007), Law on Encouragement and Protection of Foreign Investment (2002), and Commercial Code (1932) also deal with IP legal regime in Iran. IPRs are administered by Industrial Property General Office of State Organization for Registration of Deeds and Properties in Tehran.

Marks

Trademarks, service marks, collective marks and trade names are protected by the law. Trade and service marks (trademarks) are defined any visible sign capable of distinguishing the goods or services of legal entities or of natural persons (Article 30 (a) PITRA). Visible signs include a word, phrase, symbol, or design, or a combination thereof. Please note that only visible signs are protected as trademarks and sounds and scents cannot be registered as marks under the laws of Iran. Collective Marks are also protected by PITRA. Collective marks are any visible signs designated as such in the application for registration which are capable of distinguishing the origin or any other characteristics, including the quality of goods or services of natural persons or legal entities which use the sign under the control of the registered owner of the collective mark (Article 30 (b) PITRA). Trade names are protected by PITRA and Commercial Code of Iran.

PITRA defines non-registerable marks as marks which are not capable of distinguishing the goods or service of one enterprise from those belonging to another enterprise and marks which are against Sharia, public order or morality. Marks, which are likely to mislead the public or trade centers, in particular as regards the geographical origin of the goods or services concerned or their nature or characteristics, are not registerable either.

Identical and confusingly similar marks or translation of an existing mark cannot be registered in Iran provided that the registered mark is used for identical goods or similar services of another enterprise in Iran.

PITRA also does not allow registration of certain service marks. If a service mark is registered and becomes well-known to the extent that a connection is customarily established between the mark and the owner, registration of a new service mark even for dissimilar services would not be possible.

Please note that registration of suggestive, descriptive and generic names is not allowed under Iranian laws.

Well-Known Marks

Although PITRA has mentioned well-known marks, their protection under domestic law and in particular PITRA remains more or less questionable. In some instances, we have witnessed registration of very well-known marks for different classification of goods and services in Iran. For instance, “LEXCUCE” has been registered for trademark classifications on 29, 30, 35 and 39. Another example is registration of Rexus for non-alcoholic drinks and pastries which was registered in February 2013.

Once registered, the mark remains valid for a period of ten years from the filing date of its application for registration. This period can be renewed for consecutive periods of ten years, upon payment of the prescribed fees.

Iran acceded to Paris Convention in September 1959 and the Convention became enforceable in December of that year. Article 9 of Iran’s Civil Code gives international treaties and conventions the same weight as domestic laws and in some cases in first instance courts and appellate courts judges have referred to Paris Convention as applicable law in Iran in order to protect unregistered well-known marks under the Convention.

Rights Granted to Owner of Marks

PITRA authorizes owner of marks to exclusively use the mark within territory of Iran. Such exclusivity allows owner of marks right of action to initiate civil and criminal proceedings against any person who infringes the Mark. This right shall extend to the use of a mark similar to the registered mark and the use thereof in relation to similar goods and services that cause confusion.

Domain Names and Trademarks in Iran

Iranian Domain Registration and Management System is used to register **.ir** domains in Iran. The law does not directly mention domain names as a mark under Iranian legal system. Therefore, infringement of IPRs in domain names has become common in Iran. Registering facebook.ir or hp.ir has led multinational companies to endeavor to protect their marks in cyber space as well.

Various internal arbitration proceedings and dispute settlement mechanisms in World Intellectual Property Organization have been introduced to resolve disputes in cyber space. We assist our clients to handle litigation/arbitration and represent clients in Iran.

Trade and Service Mark Search

Before registering client's trade or service mark, Elite Pars law firm conducts a comprehensive search at official gazette and other database available and provide clients with a report on identical or similar marks or marks with a likelihood of confusion. We provide clients with an accurate assessment of status of their trademark in Iran and assist them to find similar or identical marks before filing application with competent authorities. Such search also assists clients to find out about infringement of their marks in Iran.

Annulment due to Lack of Use

Under PITRA, it is possible to request the General Court of Tehran to annul a trademark due to lack of use. Such annulment requires judicial award which can be appealed by owner of marks. Any interested person may request the court to annul the registration of mark, if he establishes that, the owner of a registered mark, or a person authorized by him, has not used the said Mark for a period of at least three full years running from the date of registration up to one month prior to filing the request. However, if it is established that use of the mark has been prevented due to Force Majeure, the registration shall not be invalidated.

Trade Names

Commercial Code and PITRA are the main laws dealing with trade names. Please note that registration of trade names is not obligatory for protection of the law.

Investigation of Infringement of IPRs in Iran

Infringement of famous trademarks in food industry such as KFC, McDonalds, Pizza Hut, and Domino's Pizza and even in Fast-moving consumer goods (FMCG) as well as pharmaceuticals is very common in business environment of Iran. Import of fake products of famous brands

such as Louis Vuitton, Prada, Omega, Rolex and Salvatore Ferragamo has caused serious damages both to profit and reputation of those multinational companies.

Elite Pars Law Firm can conduct investigation for infringement of marks in Iran and prepare a comprehensive report on such infringement. We assist our clients to gather necessary evidence before initiating criminal and civil proceedings in Iran and abroad. We will also obtain official written opinion of court's experts which can be utilized in litigation in Iran.

Litigation and Dispute Settlement

Infringement of IPRs might lead to civil and criminal penalties. Intentional infringement of IPRs leads to fine and/or imprisonment of up to 6 months. Owners of trademark can also ask for damages as well.

Injunctive relief can also be sought from the court. The court can order to ban import or export, supply, sale, marketing and storage of products infringing IPRs. Please note that foreign complainants pursuant to Article 144 of Iran's Civil Procedure for General and Revolutionary Courts need to deposit security (amount of money determined by courts) for possible damages in Iran. There are some circumstances under which the court orders such security deposit. First, complainant should be a foreigner and defendant should be an Iranian national. Second, complainant should request from the court at the first hearing such security deposit. Please note that where Iranian nationals are exempted from depositing security in home country of complainant, then foreign complainant is not required to deposit such security. When disputes are about official deeds, checks and promissory notes, foreign complainant is not required to deposit such security as well.

Elite Pars law firm also represent clients before Industrial Property General Office's commissions. All decisions of Industrial Property General Office are appealable before General Courts of Tehran.

Elite Pars has a simple, yet profound purpose: to be the place where trust, creativity, enthusiasm and hard work unite. We strive to bring truly elite legal services through care, passion and dedication. We listen carefully to our clients and draw on our broad practice capabilities to transform their challenging difficulties to success stories. We are committed to improve the well-being of the people around us and nurture the lives we touch. For the past several years, our team has had a leading role in navigating various industry participants into the Iranian market.

Contact Your Dedicated Team!