

Kosovo Adopts New Laws on Patents, Designs, Semiconductor Topographies

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The new patent and industrial design laws entered into force in Kosovo on February 4 and February 5, 2022, respectively, while the new law on the protection of semiconductor topographies entered into force on January 17, 2022.

An important change brought by the new **Law on Patents** relates to supplementary protection certificates (SPCs). While the previous law included provisions related to SPCs, they never entered into force because they were subject to Kosovo's potential EU membership. Under the new law, the SPC provisions are not subject to Kosovo's eventual EU accession. The SPC chapter includes provisions regarding the SPC subject matter, examination and application processes, exceptions to SPC rights and conditions for obtaining and invalidating an SPC.

Exhaustion of patent rights remains national. However, the new patent law provides that rights may be exhausted if the patented product is placed on the market by the right holder or with their consent, therefore opening a possibility for the courts to interpret a possible implicit consent by the right holder.

The new law also clarifies the restoration and continuation procedures, which were sometimes found ambiguous.

The new **Law on Semiconductor Topographies** clarifies the subject matter for the protection of semiconductor topographies as well as the exclusive rights and limitations granted by such protection.

The exclusive rights start either on the date when the topography is first commercially exploited anywhere in the world (provided that the application for the topography registration is submitted within two years from that date) or on the date the application for the topography registration is submitted to the local IPO. The rights are valid for ten years counting from the year following the end of the calendar year in which they were established.

The exhaustion of rights has been introduced – once any protected topography or any semiconductor product produced using the protected topography is placed on the Kosovo market by the right holder or with their consent, the rights are exhausted.

The protection of trade secrets for semiconductors has also been introduced – the applicant can now label any required material or its part as a trade or business secret, but this right cannot be exercised for more than half of the number of layers in the semiconductor product. The registration and invalidity procedures have also been thoroughly clarified.

The substantive and procedural provisions of the new **Law on Industrial Designs** remain the same as before. The changes introduced by the new law relate to enforcement and are identical to the new enforcement provisions in the new patent and semiconductor topography laws. Although the three laws are separate, the intention was to harmonize their enforcement chapters.

The main changes relating to enforcement in all three new laws are the following:

• The time frame to file an appeal against the local IPO decision is changed from 15 days to 30 days from the date of receipt of the decision;

- Under certain circumstances, the court may replace an order for the seizure and destruction of infringing goods with the monetary compensation for the injured party;
- Provisions regarding the right to information and evidence have been redefined in favour of right holders – they are now entitled to receive more information if their requests are justified;
- The criteria for the assessment of damages have been specified when determining the
 amount of damages, the court will take into account all relevant aspects such as adverse
 economic consequences, including lost profits incurred by the injured party, any unjust
 profit of the infringer and, where appropriate, other elements such as economic factors
 and the moral prejudice caused to the right holder;
- The new laws include several provisions which were previously covered by the Law on Contested Procedure, such as ordering the placement of security for damages, or, in case the injunction is revoked or expires due to any act or omission by the right holder, or if no infringement is found, ordering the plaintiff to provide adequate compensation for any damage caused by these measures;
- In line with the EU Enforcement Directive, the new laws provide that injunctions in infringement cases should be fair, equitable, proportionate and affordable;
- With the aim of reducing the scale of infringement, the punitive provisions introduced higher penalty amounts.

In addition, new patent and design laws now include provisions clarifying the time frames for initiating proceedings with the court. Infringement claims, claims relating to the seizure and destruction of goods, as well as claims for damages may be filed within three years from the date the right holder became aware of the infringement and the infringer, and no later than five years from the date the infringement occurred.

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