



Alexey Kratiuk

Well-known trademarks in Russia

Alexey Kratiuk from Gorodissky & Partners looks at Russian trademark law by analyzing well-known trademarks, thinking about recent amendments, grounds for refusal, and the positives and negatives of the law.

In Russia, all the designations – regardless of whether these are registered or protected in Russia or instead are used in Russia without such registration/protection – may be recognized to be well-known.

The main benefit of a trademark enjoying well-known status in Russia is that the brand owner can get a broader scope of protection, which, in some cases, may extend to dissimilar goods. Those cases are the circumstances in which there is a real risk that the use by a third party of the same or similar sign will be associated in the consumer's mind with the owner of the well-known mark and provided such use is capable of damaging true owner's reputation and lawful interests.

I. Procedure

For a mark to obtain well-known status in Russia, it has to be applied for recognition as a well-known mark by way of filing a special application to be subsequently examined by the Russian PTO. The application is considered by expert commission of the Russian PTO. Upon receipt of the application the Russian PTO appoints the hearings at which the matter is to be considered on merits by the Board composed of three

member experts. The applicant is invited to take part in the hearings.

In Russia there is a separate Register of well-known marks. Once the mark is recognized to be well-known, the Russian PTO is supposed to issue a respective registration Certificate which contains information about the mark itself, the goods for which it enjoys well-known status, the date at which it became well-known in Russia, and other information.

A trademark must meet certain requirement in order to become well-known in Russia.

First of all, it has to be distinctive. Furthermore, the owner of such mark must demonstrate intensive and long-standing use of its mark worldwide and especially in Russia. The use must be so intensive as to result in a tight link between the mark itself, a particular trader, and particular products being created in the consumer's mind.

If the mark is used to designate specialized products having very limited ranges of consumers, it would suffice to show that the mark has become famous among the respective range of consumers only.

When filing an application it is imperative to indicate the date at which the mark, according to its owner, became famous in Russia. It is crucially important that this date should predate priority of any similar marks covering similar goods owned by third parties recorded on the Register.

The application for recognition of a trademark to be well-known is to be accompanied with the evidence of notoriety of the mark. The Russian law does not specify what kind of evidence would be appropriate in such cases. However, official recommendations do exist, which provide for the recommended list of documents and information which could be filed in support of the application.

In particular, it is advisable to submit information about the scale and length of use of the mark both worldwide and especially in Russia to be confirmed by annual financial reports as well as information about the

Résumé

Alexey Kratiuk, Partner, Russian Trademark Attorney

Alexey specializes in obtaining legal protection for trademarks and appellations of origin of goods in particular trademark prosecution proceedings in Russia, CIS and the Baltic states. He also counsels clients on issues relating to protectability of designations registered as trademarks. Alexey is intensively involved in invalidation/cancellation proceedings using both legal actions in administrative bodies and in Courts. He is a regular speaker at IP seminars and conferences in Russia and abroad and also an author of several publications in foreign IP professional magazines. Alexey is ranked MIP IP Star-2014, 2015 and 2016 and is mentioned as a notable specialist in trademark prosecution and strategy in Russia (WTR-1000/2014).

value of the mark, approximate number of consumers, information about awards, exhibition activities involving the mark, and other information attesting to the wide spread awareness associated with the mark. These could be contracts, shipment documents, advertising and promotional materials, publications in media etc.

The most valuable evidence upon which the application could be based is the poll opinion results which should demonstrate a significant proportion of Russian consumers being familiar with the brand and its owner.

There is no comprehensive list of documents and evidences to be filed in support of the application and everyone decides what further evidence could be relevant, depending on a particular case.

As was stated above, poll result is one of the most reliable sources of evidence to be filed in support of brand awareness and such result is to be obtained in due course. The point is that the opinion poll can only be conducted by a professional organization which specializes in such kind of business. According to the official guidelines, the poll should cover at least six cities across Russia including two major ones. If the applicant's products are specialized ones and are intended to be consumed by a limited range of consumers, then such survey should concentrate on the relevant public only. In one of the most recent cases related to achieving well-known status for the iBank mark in respect of special software for use in the field of banking, the survey was conducted among bank employees and such survey was treated as an objective and reliable one by the authorities. It was eventually taken into account, which led to the favorable outcome and based on consideration of the favorable poll results and other evidence that was filed in support of the application the mark was officially recognized well-known.

II. Recent amendments to the Russian law

Until recently, the Russian PTO was guided by the Rules for recognition of trademarks as well-known and those rules were quite tough in terms of possible amendments of the application materials.

Since October 13, 2015 the procedure of recognition of a trademark as a well-known mark has undergone significant changes. The new provision has limited the term of consideration of the application to just 10 months. Moreover, the brand owners are now entitled to amend the date by which the mark has become well-known (e.g. if the brand owner feels that the amended date will make it easier to prove the intensive use of the mark by the respective date).

The brand owners are now allowed to specify the scope of protection that they intend to achieve (e.g. the specification of goods for which the well-known status is sought may be limited to those goods for which there is enough evidence of intensive use of the mark).

Above all it is now possible to amend the mark provided such amendment does not alter the distinctive features of the mark.

III. Possible grounds for refusal

One of the main reasons for which a trademark may be refused in granting well-known status is the lack of intensive use. If the mark is intended to be used on mass consumption, goods and services' large scale and wide spread use is required.


To better illustrate this legal approach it is worth referring to a recent case dealing with a trademark



(PEAK in Cyr.) owned by quite renowned construction firm in Russia. The applicant was trading in just a few regions across Russia where it was building apartments and such use was deemed insufficient to prove well-known status of the mark.

Other grounds include weakness of the mark and use in a different manner. To better understand the current trends concerning this issue it is worth referring to one of the most recent cases from the Russian practice. It is all about a trademark which represents design of a service station.



The mark covers motor fuel in Class 4 as well as service station services in Class 37. The mark was considered quite weak in terms of individualization as the dominating elements of the mark such as the shape of the station and the color on its own were deemed non-distinctive. Moreover, it was established that the only distinctive element of the mark, namely the logo element  when used is placed in different positions on the applicant's stations and the applicant's stations are quite different in terms of design and composition solutions from the applied one (as illustrated below) which makes it possible to claim that the mark was used in a different manner.



Based on the above findings, the Russian PTO dismissed the applicant's claims and ruled to refuse in granting well-known status to the said mark in Russia.

Another interesting case which is worth telling about is the one related to the brand



(AGUSHA in Cyr.). This brand is quite popular in Russia on the food for babies market. It can easily be found on the shelves of many food stores across Russia and this brand has existed for a long time now. Recently, the brand owner tried to get well-known status for its mark in Russia and the matter has just been considered with unfavorable outcome for the brand owner. The application was filed in respect of food for babies for which the mark was actually used in a different color spectrum such as



The Board considered the applied specification to be quite broad and vague as it might include various product positions (porridge, juices, milk products and others). At the same time the applicant failed to link the evidence of intensive use to particular products within this broad category. Moreover, the evidence of use related to the food for babies aged up to four years old and there was no evidence with respect to the older children.

Furthermore, according to the Board, the target audience for the applied goods were women aged between 20 and 40 years old. However, the poll results did not specifically mention this relevant public and therefore could not be taken into account.

The fact that the mark was used in a different color additionally worsened the situation and the application was rejected.

IV. Oppositions against well-known marks

In Russia it is possible to oppose well-known marks. The opposition can be filed by an interested person based only on the special provisions dedicated to the well-known marks. A very recent case perfectly illustrates the current legal approach in resolving such matters. This is (TROIKA) case.



The mark TROIKA was earlier recognized well-known in Russia for cigarettes in the name of a Russian tobacco maker. Recently, a third party filed an opposition based on the following grounds:

- a) Confusing similarity to third parties' prior marks;
- b) Use of the mark by various traders resulting in lack of distinctiveness and misleading as to the genuine manufacturer.

The opposition was considered on merits and the Russian PTO dismissed the claims related to lack of distinctiveness and misleading as those grounds are not specifically mentioned in the special provisions attributed to the well-known marks. In the meantime, the Russian authorities agreed with the claimant in that the mark is confusingly similar to the third parties' prior marks covering similar goods. Moreover, the authorities took into consideration the fact that the mark was intensively used by various traders before the date at which the mark became well-known in Russia and this finding allowed the Registry to come to conclusion that the mark could not be associated with a particular trader in the consumer's mind and hence one of the most important requirement was not met. Accordingly, the mark was invalidated.

V. Advantages and shortcomings

As shown in the article, well-known marks are a special category of trademarks which have advantages and shortcomings.

Firstly, as a general rule, ordinary trademark protection extends to the same or similar signs covering the same or similar goods. With respect to well-known marks the brand owner achieves broader protection.

Another benefit to having a trademark recognized as well-known is that such status facilitates fighting against infringers, since when we deal with strong brand awareness attributed to well-known marks it is easier to prove the risk of confusion as to the commercial origin of goods and the damage that may be caused as a result of such confusion.

Further, the Russian law provides for unlimited period of life of the well-known marks without any need to renew the marks.

Finally, it goes without saying that it is a matter of prestige: The value of the well-known mark is normally high and this could serve a very valuable intangible asset that, in turn, notably increases capitalization of the brand owner.

The main shortcomings associated with well-known marks are as follows:

- 1) The procedure is quite costly, complicated and time consuming.
- 2) The practice shows that the main and most valuable evidence upon which the awareness can be based is a public opinion poll result. However, the poll results cannot be predicted in advance and hence the outcome of the whole proceedings may prove to be unpredicted as well.

VI. Conclusion

In Russia there is a special administrative procedure of recognizing a trademark as well-known mark. The procedure is quite complicated



and time consuming as it requires huge amount of evidence of brand awareness to be compiled and submitted in support.

Despite those complex aspects, the benefit of obtaining well-known status is obvious – the brand owner seeks broader scope of protection what eventually helps to improve enforceability of its mark. For this reason we can see some increase in the amount of cases related to recognition of trademarks as well-known marks over the last few years in Russia and for many brand owners this becomes one of the most effective and key elements of the brand protection strategy as a whole.

Gorodissky & Partners

Practicing since 1959

PATENTS, TRADE MARKS, DESIGNS
UTILITY MODELS, COPYRIGHTS
LITIGATION, IP DUE DILIGENCE
ANTI-COUNTERFEITING, MEDIA-
TION, LICENSES, SEARCHES
TRANSLATIONS

Moscow, St. Petersburg
Kazan, Ekaterinburg
N. Novgorod, Krasnodar
Vladivostok, Samara
Novosibirsk, Perm
Sarov, Dubna, Kiev



GORODISSKY

Head Office:
B. Spasskaya Str., 25, bldg. 3
Moscow, 125080, Russia
Tel.: +7(495) 937 6116
Fax: +7(495) 937 6104/6123
E-mail: pat@gorodissky.ru
www.gorodissky.com