

# Russia

Goroditsky & Partners

## Colour marks gain popularity in Russia

Colour trademarks are growing in popularity in Russia. However, to ensure their registration, the colour in question must be capable of sufficiently distinguishing the product or service and its origin

**Russian legislation allows** for the registration of non-traditional marks, in addition to common word, graphic and three-dimensional marks.

### Distinctiveness

Regulations on drafting, filing and examining trademark applications define other designations exhaustively in a list comprising sound, light, motion, holographic, tactile, position, olfactory and taste designations, as well as designations consisting of a single colour or several colours. However, marks that lack distinctiveness are ineligible for registration. Although the law lists certain designations which should be recognised as lacking in distinctiveness, this criterion is not definitive and remains at the discretion of the Russia Patent and Trademark Office (Rospatent). Further, the law provides for the possibility of registering marks based on acquired distinctiveness.

### Growing popularity of colour marks

Other types of non-traditional and colour mark are growing in popularity, with increasing numbers of colour mark registrations filed both internationally through the Madrid System and nationally through a direct application to Rospatent. According to Russian trademark practice, if there is a strong association between a colour, a particular enterprise and a specific product or service, the colour may be registrable. Examples of colour marks include Deutsche Telekom's magenta colour, Deer & Company's green and yellow colour combination and Sberbank's green colour.

### Application for colour

A trademark application consisting of a single colour or colour combination can be registered if it has acquired distinctiveness and the applicant can prove that the subject colour or colour combination functions

as its trademark. The colour or colour combination should have been used in Russia before the application filing date.

A colour sample should be provided in the application and the statement "mark consisting exclusively of one or more colours" will be issued. Indication of a colour in the application or a description of the claimed designation will be accompanied by a corresponding code from an internationally accepted colour-identification system selected by the applicant (eg, guidelines and catalogues of colour samples issued by specialised associations or catalogues of colour samples used by software graphic editors).

### Evidence of distinctiveness

Evidence of acquired distinctiveness may include:

- contracts and agreements proving significant volumes of production and sale of the goods or services;
- territorial coverage of any sales for the duration of use of the claimed designation;
- materials used for advertising campaigns (eg, media publications, television advertising and references found in literature and cinema); and
- opinion polls with the emphasis on the acquisition of distinctiveness of the claimed colour in relation to the goods or services produced by the applicant.

In practice, the list of documents may be wider. For example, the following documents may be considered proof of the acquisition of distinctiveness by the colour designation:

- actual data on the duration and intensity of use of the designation, as well as the territory of the sale of services, accompanied by the claimed colour designation;
- the use of the claimed colour by the company (eg, photographs of the design

of the company's offices, product packaging and staff uniforms);

- the intensity of use in advertising (eg, company advertising materials, media publications, the amount of advertising expenses, the duration and intensity of advertising of the goods and sponsorship costs);
- information about the fact that the company is the market leader for these goods (eg, indicating the company's market share) and the results of market research;
- the number of offices or representative offices of the company in Russia, drawn up and using the claimed designation (colours);
- a list of registrations of the company's trademarks in Russia using the claimed colour;
- information on participation in international forums and exhibitions with the design of the company's stands using the claimed colour; and
- materials confirming the company's use of the claimed colour in the company's corporate style.

Materials relating to the acquisition of distinctiveness by the claimed designation should be submitted for each position indicated in the list of the claimed goods or services. The minimum period of use of the claimed colour designation necessary for proving the acquisition of distinctiveness, is not established by law.

### Petrovsknefteprodukt and Shell – red and yellow colour combination

There is practically no judicial practice in respect of colour marks. However, in August 2017 a court delivered a judgment regarding the red and yellow colour combination belonging to international oil and gas company Shell. Shell's corporate colours are protected by an international registration in many jurisdictions,



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A stable associative perception of the trademark ownership to this rights holder was demonstrated by a high percentage of consumers. This took into account the circumstances prevailing on the date of the objection, since the objection was filed 21 years after the priority date.

According to the results of the proceedings, the invalidation actions were denied and the trademarks left in force.

### Comment

The Shell case is a notable example of effective colour trademark enforcement. Obviously, a colour trademark helps to strengthen the owner's competitive position on the marketplace. But the requirement as to the distinctiveness of a mark should be always taken into consideration. Trademark owners must understand that their non-traditional trademarks, including colour marks, could be attacked by a competing party based on lack of distinctiveness or non-use and defending such marks may involve certain difficulties and extra expense (eg, to collect evidence or obtain opinion poll results). However, the Shell case demonstrates that these challenges are not insurmountable. **WR**

including Russia. The Russian company Petrovsknefteprodukt LLC used the same colour scheme in its activities. Shell considered such use unlawful and demanded that Petrovsknefteprodukt stop using its colour marks and designations, which are confusingly similar to Shell's, at its petrol stations. Shell asked the court to force the respondent to remove existing signage in the controversial design from petrol stations, adding that it was necessary to set a 10-day deadline for the voluntary execution of such a decision. For each day of delay, Shell demanded the recovery of Rb100,000 (approximately \$1,500) from the respondent. Shell's main argument was that its trademark (a combination of yellow and red colours in the form of two yellow stripes and one red stripe) had been registered in the international registry of marks since the late 1990s and the respondent uses a similar design at its petrol stations.

In response, Petrovsknefteprodukt stated that there was a considerable distance between any of its petrol stations and those of the plaintiff. In addition, a number of Shell's petrol stations use a different colour scheme and some carry the graphical trademark representing a picture of a shell. Petrovsknefteprodukt argued that the trademarks of the plaintiff and the respondent create a different impression on the consumer. Despite these arguments, the court ruled in Shell's favour.

The court noted that the design of the controversial petrol stations was not entirely identical to Shell's trademarks. It acknowledged that the respondent used the same colour scheme at its petrol stations as Shell and especially emphasised that in this case it was unnecessary to appoint a special expert examination, since it could decide a contentious issue from the position of an ordinary consumer. The court ordered the removal of all designations resembling the Shell design from Petrovsknefteprodukt petrol stations within 45 days. It also reduced the penalty for each day of delay to Rb10,000 (approximately \$150) per day, given Petrovsknefteprodukt's small profits.

A crucial role in this dispute was played by duly registered trademarks. If there had been no registrations in Russia, Shell

would have needed to apply to the Federal Anti-monopoly Service with a request to recognise the respondent's actions as unfair competition.

At the same time, Petrovsknefteprodukt attempted to attack the Shell trademarks, filing invalidation actions against the marks, stating that the combination of colours has no distinctive character. Petrovsknefteprodukt pointed out that the number of Shell petrol stations in Russia is fewer than 1% of all petrol stations located in Russia. Moreover, the colours used in the design of Shell's petrol stations are also used by other competitors.

In the rights holder's opinion, the applicant's arguments did not reflect reality:

- The Agreement on Trade-Related Aspects of Intellectual Property Rights expressly provides for the possibility of registering a colour combination as a trademark and confirms that such combinations have distinctiveness in principle. The recognisability of a designation by consumers in Russia is connected not only with the large-scale use, but also with the use of the disputed trademark worldwide. From the submitted documents it follows that the red and yellow colour combination has been Shell's trademark since 1915 and is known in Russia due to the duration of its use (the first Shell petrol station opened in Russia in 1998). The same colours are registered as trademarks of the rights holder in a number of foreign countries.
- Shell invests a lot of money in brand promotion, thanks to which it was possible to increase awareness of the colour combination and the trademark as a whole. This is confirmed by studies, in particular a sociological survey, the results of which suggested that the contested trademark is known to 65% of consumers in Russia. According to retrospective sociological research, as of the priority date (1996) the trademark was known to a significant proportion of consumers aged 40 years and older.

The Board of the Chamber of Patent Disputes concluded that the trademarks in questions are sufficiently distinctive.