

Rising to the challenge in Russia

The protection of well-known and famous marks has long been disputed under Russian law, with the process for registering a mark as well known challenging for brand owners

The extent of protection afforded to well-known and famous trademarks marks under Russian law has long been in dispute. Recently the situation with regard to the recognition of well-known trademarks has entered an active phase and the number of such marks registered each year continues to increase. However, the registration process is not easy.

Background

Russia has been a member of the Paris Convention since July 1 1965 and, in accordance with Article 6, was bound to protect well-known and famous trademarks. However, such trademarks have enjoyed real protection in Russia only since 1998.

The possibility of protecting well-known marks was mentioned in Russian trademark legislation before 1998 – for example, in the Trademark Regulations 1974 and the Trademark Law 1992 (Article 22(1)). However, since these documents failed to indicate a competent authority for considering applications for protection or to prescribe rules or procedures, in practice it was not possible for well-known or famous marks to achieve protected status.

On March 30 1998 the Russian Federation government assigned the High Patent Chamber as the competent authority to consider applications to have marks and designations recognized as well known. In the same year, the Rules on Filing Appeals, Applications and Petitions and their Consideration by the High Patent Chamber were issued to regulate procedural points of the filing and consideration of such cases. Subsequently, the High Patent Chamber's name was changed to the Chamber of Patent Disputes.

On March 17 2000 the Rules for Recognizing Trademarks as Well Known in the Russian Federation were approved (and

corrected on March 5 2004. These rules remain in force, with the exception of one provision: since January 1 2008 applications have been considered by the Russian Federal Service for Intellectual Property, Patents and Trademarks (Rospatent), rather than the Chamber of Patent Disputes. Thus, the legal basis for the protection and recognition of well-known marks in Russia consists of:

- Part IV of the Civil Code (Articles 1508 and 1509);
- the Rules on Recognizing a Trademark as Well Known in the Russian Federation; and
- the Recommendations of the Russian Patent and Trademarks Office for the Questioning of Consumers Regarding the Well-Known Character of a Trademark in the Russian Federation.

Recognition

The following marks may be recognized as well known in Russia: Russian national trademark registrations; international trademark registration protected in Russia in accordance with the Madrid Agreement and Protocol procedures; and designations used as marks which are unprotected on Russian territory. Meanwhile, the law stipulates that a trademark or designation cannot be recognized as well known if it became widely known after the date on which an identical or confusingly similar mark of another party can be considered to have been well known, where that party's mark is intended to be used in association with goods which fall into the same category.

Applications

Parties wishing to have their trademark or designation recognized as well known in Russia must submit certain documents to Rospatent. First, a party wishing to have its mark recognized as well known must submit documents which give evidence of the date

from which the mark can be considered to have been well known. This date must be supported by all the submitted documents. If the board of examiners considers such documents insufficient to prove the mark's fame on the date in question, the application to have the mark recognized as well known will be rejected. Once an application has been rejected, the board will consider no further evidence and a new application has to be filed. Furthermore, applicants cannot apply for recognition from a different date.

Second, applications must be accompanied by documents which demonstrate the intensive use of the mark. Such documents might include:

- a list of the locations at which the goods associated with the mark have been sold;
- the volume of goods which carry the mark that have been sold;
- the ways in which the mark has been used;
- an annual average of the number of consumers of goods carrying the mark;
- a list of countries in which the mark has become well known;
- evidence of the amount of money that has been spent on advertising the mark (eg, from annual accounts);
- an estimation of the value of the trademark or designation according to annual financial reports; and
- the results of a poll which has been conducted by a specialist organization regarding the mark's fame.

In practice, documents detailing poll results are one of the most important submissions. Such polls must be conducted in no fewer than six of Russia's largest cities, preferably including Moscow and Saint Petersburg. The other cities may be chosen by the applicant depending on its sphere of activity. In some cases the applicant may be

called upon to submit five prints of the trademark or designation. Further, foreign applicants must submit a power of attorney to authorize a third party to act on its behalf.

Typical problems and reasons for non-recognition

Applications for recognition are often rejected for the following reasons:

- The submitted materials and documents do not prove that the mark became well known on the declared date;
- The submitted materials and documents do not prove the fame of a mark in association with all of the goods mentioned in the application;
- There is a discrepancy between the mark for which the application was made and the way in which it has been used (eg, the application for recognition was filed for a black-and-white version of a mark which has been used in colour, or the application was made for the word element of a mark rather than for its use as a label. For this reason, an application to recognize the fame of the word 'Ubileynoe', rather than its use as a label, was rejected (Arbitrage Court decision, July 12 2007, ninth Arbitrage Court resolution March 19 2008, Federal Arbitrage Court resolution, July 2 2008, High Arbitrage Court Decision, October 27 2008);
- The submitted materials and documents do not prove that the mark was used by the applicant. This problem with an application arises most often where the marks have been used by a sub-division of the applicant company rather than the applicant itself. This was the reason for the rejection of PepsiCo's application to have the mark LAY'S registered, since the submitted documents showed that the mark had been used by Frito Lay Inc; or
- The application is for the recognition of a mark which could be confused with a previously registered trademark.

On April 7 2000 the first designation was registered as well known. The mark IZVESTIYA, the name of a newspaper, was registered as having been well known since December 31 1992, despite the fact that the paper had been in circulation since 1917 and was widely read in the Soviet Union. The length of the period for which the mark had been in existence yet could not be proved to be well known is indicative of the difficulty in obtaining well-known status.

The second mark to be registered as well known (since December 31 1997) was URALMASH. It was registered on October 7 2009 in respect of goods in Class 7 (ie,



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excavator and metallurgical machinery). On April 16 2004 a third mark, JAVA, was registered as well known since December 12 1989 in relation to cigarettes.

COCA-COLA was the first foreign trademark to be recognized as well-known. On December 18 2001 it was recognized as having been famous since January 1 1996.

The number of well-known marks is now 85. Occasionally, status as a well-known mark is disputed. Two which had previously been recognized as well known have been removed from the Rospatent register.

There are 59 trademarks on the register which are owned by Russian companies and 26 owned by foreign companies. Well-known marks on the register may be

divided into the following categories of goods and services:

- food products, tea and coffee;
- soft beverages and beer;
- alcoholic beverages;
- sports items and organization of sports events;
- petrol, oil, gas and filling stations;
- medicines;
- opinion polls and related services;
- cigarettes;
- automobiles and automobile services;
- communication services;
- aircraft;
- computers and related goods;
- animation and animation production;
- precious metals; and
- refrigerators.

Advantages of being well known in Russia

A well-known mark may be protected from use by other parties in relation to goods in other categories. The protection is effective provided this mark being used by a third party is likely to confuse consumers into making an association with the well-known trademark owner, thus infringing upon its lawful interests. Legal protection of well-known marks is not time limited. It is not necessary to renew registration of the mark every 10 years or to pay fees for such renewal.

A mark which is recognized as well known enjoys various forms of protection. Applications to register a similar or an identical trademark by another party may be refused; applications to register marks which include the name of an identical or similar mark which has previously been registered as well known, to the extent that confusion is likely, are rejected. For example, the registration of the INTEL mark means that the marks INTELPART and INTELCROSS are unlikely to be registered. Other parties are also prevented from using an identical sign in respect of goods or services in the same category. For example, the owner of the mark KAMAZ was able to prevent a mark from being used. (Case 04-7650/2007(39832-A27-32), November 1 2007). However, in respect of non-homogeneous goods, prohibition to use covers only identical marks (ie, it does not cover marks which are merely similar).

Widely known Russian designations such as KALASHNIKOV and BOLSHOY are yet to be recognized as well known in Russia. However, their reputation may be taken into account to prevent use by third parties in respect of a wide range of goods or services. Nevertheless, the protection enjoyed by marks which have been registered as well known is preferable. **WTR**