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Problems of Trademark Protection in the Russian Federation

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Abstract:- This article focuses on one of the most important tools of a modern market economy, namely, the trademark. The article discusses aspects of the legal protection of trademarks in Russia; analyses the provisions of the Russian law, the provisions of the Civil Code of the Russian Federation in particular, as the main regulatory document in this sphere, the author examines the current problems of modern Russian legislation in the field of intellectual property rights protection and equated means of individualization of legal entities. In the course of the work, the author analyzes the legislative provisions and their real meaning. The studyalso examines the legal protection of trademarks and the classification of types of abuse of this right.

Also in this article Examples of resolving real disputes on the protection of rights in the field of trademarks are analyzed, and statistical data from the open register of «Rospatent» are considered. In the course of the work, the author comes to a reasonable conclusion about the inconsistency of the legislative frameworkand legal regulation of the sphere of means of individualization of legal entities with the real needs of modern Russian society, which is rapidly moving towards a capitalist economy.

Keywords:- *Trademark, Abuse of Right, Trademark Protection, Trademark Registration Application, Top Gear.*

I. INTRODUCTION

Given the current economic environment in Russia, it is not possible for economic entities in civil commerce to operate successfully without special means of individualization. Today the most popular and effective mean of individualization is a trademark. This intellectual property object is intended for differentiating goods and services produced by one manufacturer from congeneric goods and services of other manufacturers. The purpose of a trademark, which is an integral element of market relations, is to promote rapid development of industry and trade.

The problem of legal protection of trademarks and the abuse of rights in this protection is particularly relevant in recent years, due to the fact that the economy of the Russian Federation is increasingly moving into a capitalist direction every year. Trademarks, as an integral part of business activity, are beginning to be used more widely, this fact is objectively confirmed by the growing number of applications for trademark registration. Since the Russian legislator classifies a trademark as a means of individualization of legal entities, equating them with intellectual property, therefore, it is subject to legal protection. In this article, we will consider the current issues of legal protection of trademarks in the event of unfair competition of certain participants in civil legal relations-unfortunately, in Russia, this is a fairly common phenomenon.

By 2019, in comparison with 2018, the number of applications for registration and patenting of brands increased by 18%, in 2020, compared to the previous year-again an increase of 21%. Every year more and more trademarks are registered in Russia, so the consideration of the question posed to us looks most relevant and appropriate.

A trademark has a twofold nature: first, it is a means of individualization of alegal entity or individual entrepreneur, and second, it is an object of intellectual property rights. The issue of a trademark is regulated by Part 4 of the Civil Code ofthe Russian Federation, since a trademark is included in the closed list of objects ofintellectual rights. The trademark, according to Romanov, S. S., and acts a certain legal guarantor goods market efficiency, control of trade, the "face" of the product [1, p. 54].

A trademark is a registered image intended for the individualization of goodsand allowing to distinguish the goods of some manufacturers from others [1, p. 70]. At present, the legal protection of trademarks is regulated by norms of the Russian civil, administrative and criminal laws; however, provisions of international treaties are also of material importance as part of the Russian legal system.

With regard to the subject in question, the following international treaties [2], where Russia is a participant, should be mentioned:

- Paris Convention for the Protection of Industrial Property dated March 20, 1883,
- Madrid Agreement Concerning the International Registration of Marksdated April 14, 1891,
- Nice Agreement Concerning the International Classification of Goods andServices for the Registration of Marks dated June 15, 1957,
- Vienna Agreement Establishing an International Classification of theFigurative Elements of Marks dated June 12, 1973,
- Nairobi Treaty on the Protection of the Olympic Symbol dated September26, 1981,

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- Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks dated June 27, 1989,
- Agreement on Trade-Related Aspects of Intellectual Property Rights datedApril 15, 1994,
- Trademark Law Treaty dated October 27, 1994,
- Singapore Treaty on the Law of Trademarks dated March 27, 2006.

The basic normative legal document regulating trademarks is Part Four ofthe Civil Code of the Russian Federation (hereinafter referred to as the "Code")

[3] , enacted on January 1, 2008 following the results of the performed civil laws codification. At the same time, as part of the administrative reform carried out in Russia, administrative regulations enabling the Federal Service for Intellectual Property (Rospatent) to perform state functions, in particular those regarding trademarks, were prepared and enacted. These include administrative regulations concerning maintenance of intellectual property registers, registration of contracts, and extension of trademark registration certificate.

We should also mention such an important document as Rules for Composing, Filing and Examining of an Application for Trademark and Service Mark Registration (hereinafter referred to as the "Rules") [4], approved by Rospatent's Order No. 32, dated March 5, 2003, currently in effect and applied in the part, not conflicting with the Code, until the enactment of a relevant Administrative Regulation on Trademarks [5].

Let's review the main provisions of the Russian trademarks legislationFirst of all, it should be pointed out that the Code equals trademarks and service marksin the legal regime, which corresponds to the provisions of the Paris Convention[6, Art. 6sexies].

Article 1477 of the Code contains definitions of the indicated means of individualization. Pursuant to the mentioned norm, a service mark is a designation used for individualization of works or services performed by legal entities orindividual entrepreneurs, whereas a trademark is a designation used for individualization of goods produced by legal entities or individual entrepreneurs.

It should be noted that one and the same designation can be a trademark and a service mark at the same time. Given that the provisions of the trademarks Code are respectively applied to service marks, the notion of a "trademark" in this article includes both trademark and service mark. The variety of trademarks can be classified depending on the trademark right holder, degree of prominence of a trademark and its appearance:

1. By the trademark right holder, trademarks are classified into individual trademarks, where the right holder is represented by a separate legal entity or individual entrepreneur, and collective trademarks, where the right holder is represented by an association of persons. The legal regime of collective trademarks is defined by Articles 1510, 1511 of the Code.
2. By degree of prominence, trademarks are classified into ordinary and well-known trademarks. The difference between these two types of trademarks is that well-known trademarks have high reputation amount consumers with regard tothe goods of a specific producer and a special regime in the member states of the Paris Convention [6, Art. 6bis]. Specific features of legal protection of well-known tradeare indicated in Articles 1508, 1509 of the Code.
3. By appearance, trademarks are traditionally classified into verbal and figurative trademarks, as well as the so called "non-traditional trademarks", which can be subdivided into two groups: visual and non-visual.

Visual trademarks include: volume (three-dimensional), light, color, holographic, moving (multimedia), positional and gestural. Non-visual trademarks include: sound, taste, olfactory and tactile (texture). Quite popular are combined trademarks, which include various combinations of elements of the above mentioned trademarks.

The legal protection of trademarks, at first glance, seems more than sufficient, but unfortunately, the legal norms are far from perfect, and some open up space for, obviously, abuse of rights and "trolling". Illegal use of a trademark, is punishable for violation of trademark rights secured by article 1515 of the civil code, article 14.10 of the administrative code and article 180 of the criminal code.

In addition, Piskareva A. S. focuses on the separation of the terminology "responsibility", "method of protection" and "measure of protection". When considering this issue, the author says that in the aggregate of methods, methods and responsibilities, a fairly concise and clear system of protection of intellectual rights and equated means of individualization of legal entities is built[2]. We will consider the main methods of protection and evaluate their practical applicabilityin the context of possible abuse.

In the framework of civil protection, the owner, whose rights to the trademark and service mark have been violated, has the right to file a claim with the arbitration court and to recover compensation in the framework of civil liability. The administrative and legal method of protecting trademark rights includes the possibility of applying for protection to the authorized bodies, namely, Rospatent and the Chamber for Patents and Disputes.

According to the statement of interested persons, these bodies have the right to decide on the termination of the exclusive right, it is noteworthy that the legislator does not give a clear list of these "interested persons". Therefore, if a legal entity or an individual entrepreneur considers that its exclusive right to a trademark has been violated by protecting the trademark of another business entity,it has the right to challenge the granting of such protection in Rospatent and the Chamber for Patents and Disputes.

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After receiving a response, a person who considers the decision of theauthorized body to be unfair may appeal it in court. It is this type of protection that serves as a platform for the abuse of rights by unscrupulous persons. Criminal liability for the use of someone else's trademark occurs in the case of repeated commission of this act or in the case of causing major damage.

A trademark is registered in Rospatent according to a certain class of the ICTU, in connection with which there are some methods of unfair competition,let's try to give a classification. In his article, Borojevic A. S. and Kozlov N. In, lead to the following classification:

- registration of a well-known trademark in relation to another class of goodsin order to parasitize the reputation of a popular brand. In this case, a person who has registered a well-known trademark in a different class of goods under the ICTU intends to use this trademark for their own purposes, parasitizing an already popular company.
- registration as a trademark of a designation widely used but not previously registered by competitors. Often this method takes place in the part of foreign corporations. Many foreign companies, thanks to globalization and the Internet, are already familiar to domestic consumers before entering the Russian market. Inview of this, an unscrupulous person can pre-register the trademark of a company that is already popular in the world, but at the same time did not have time to register its trademark in Russia.
- accumulation of trademarks for the subsequent filing of claims for violation of exclusive rights, etc. This method involves the registration of many trademarks, without the purpose of their further use in the implementation of business activities, but for the purpose of further presentation of numerous claims for violation of the exclusive right of the trademark [3 pages 70-82].

However, Zatsepina N. S., agreeing with the classification proposed above, adds another, in my opinion, not unimportant kind of abuse. Filing an application for a trademark of an identical or confusingly similar designation with an already registered and used designation, in order to block the registration of new trademarks by a bona fide copyright holder [4]. In this case, the attacker submits an application for registration of the trademark, obviously not going to use it. The basis for this type of abuse of the right is subparagraph 1 of paragraph 6 of Article 1483 of the Civil Code of the Russian Federation (Part four) (hereinafter – The RF civil code), which cannot be registered as trademarks that are identical or similar to the point of confusion with the trademarks of other persons who applied for registration (in other words, with applications for registration of trademarks (service marks)), in respect of similar goods and having an earlier priority, if the application for registration of a trademark is not withdrawn, deemed withdrawn or the decision on refusal of state registration of the trademark. Therefore, an unfair application will remain at the stage of formal consideration, but if a bona fide owner tries to slightly change his trademark (due to changes in the market environment, rebranding of the company, etc.), he will face a refusal to register due to subparagraph 2 of paragraph 6 of Article 1483 of the Civil Code of the Russian Federation. Therefore, here we can observe a clear discrepancy between the legislation and the really necessary legal regulation.

An example of such abuse is the application for registration of trademark No. 2018719913, which claimed to register the well-known designation "ABSOLUT"in Russia[5].

Of course, it is impossible not to note the Resolution of the Plenum of the Supreme Court of the Russian Federation of 23.04.2019 No. 10 "On the application of Part Four of the Civil Code of the Russian Federation", which makes it possible to refuse to protect the exclusive rights of the copyright holder to a trademark if his actions are considered to be an abuse of the right, but, unfortunately, abuse is not a specific category, and often courts in law enforcementpractice interpret it differently.

As an argument, I chose the case no. A60-27474/2018 on the trademark of the Top Gear program and the individual entrepreneur Azamat Ibatullin. On the merits, in my opinion, IP Ibatullin abused the right to protect the trademark, he tried to challenge the legality of the trademark used by the MTS TV company in the same way a year and a half before the trial with the BBC, but Rospatent rejected his application, after which the entrepreneur filed a lawsuit in the Intellectual property rights court and lost twice.

The court noted that the sole purpose of purchasing this trademark Azamat by Ibatulina was damage PJSC MTS and not its intended use, in addition, theowner is only for the 2018 year 11 times referred to the judicial authorities claims on termination trademarks or cancellation of registration of trademarks. But, for some reason, after a year and a half in the dispute of the same entrepreneur, but with The British Broadcasting Corporation (BBC) over the trademark of the TV show Top Gear, the intellectual property rights court sided with Azamat Ibatullin.

In this case, there is a clear abuse of the right. The program was broadcast onTV screens since 1978, but due to the political situation, it was not possible to promote in Russia, which was used by an individual entrepreneur, registering the TopGear trademark before the BBC, and then applied to Rospatent with a statement about the termination of legal protection of the trademark of the British TV company, justifying his statement by the fact that his trademark has an earlier priority, while being confusingly similar to the trademark of the TV program.

The requirements of an Individual Entrepreneur, on the one hand, are legal, because he really registered a trademark earlier, but on the other hand, this trademark is known all over the world and is associated, first of all, with a British TV show. In view of this, in my opinion, there

is a clear mercenary intent and abuse of law. But the Intellectual Property Rights Court, having considered the BBC's claim to overturn Rospatent's decision, came to a different conclusion.

In domestic practice, there are still many examples of unfair use of a trademark, and unfortunately, the root of the problem lies in the legislation itself. The norms of the Civil Code themselves open up space for the abuse of the right to register trademarks, and some unscrupulous entrepreneurs use the gaps and shortcomings of the legislation for personal enrichment.

It seems appropriate to consider the question of how to solve the problem in foreign legislation. Let's look at England. On the foggy island, the Trademark Law of 1994 [6] is in force (much earlier than the adoption of the fourth part of the Civil Code of the Russian Federation). Special attention is paid here to the issue of the protection of the right to a trademark, in comparison with our country, the main difference is in the approach to the registration of a trademark. The rules for registration in England are much stricter than in our country.

II. CONCLUSION

There is a classification of the grounds for refusal to register a trademarkinto absolute and relative ones. The main element of a trademark is of course its distinctive character, the absence of a distinctive character is an absolute basis for refusal of registration. English law says that legal protection, the protection of a trademark is granted only to a mark that has "distinctive power".

In this case, our legislation of the Russian Federation is not inferior. The United Kingdom also refuses to protect a trademark that has been applied for inbad faith, in other words, with abuse and without the intention of actually using it. This provision is reflected in the Russian Federation in the resolution of the Supreme Court, given above. Let us turn to the peculiarities of the English legal regulation in this area.

First, the law prohibits the registration of similar trademarks with earlier priority trademarks, not only in one group of goods, as in the Russian Federation, but also in different groups of goods under the ICTU, if the use of a new trademark may give an unfair advantage or harm the distinctive character or business reputation of the trademark that has earlier priority. This provision does not exist in Russia, we look at the degree of confusion of signs only in one category according to the ICTU.

Also, the legislation of England excludes false and deceptive signs from the protected ones. False designations are considered to contain deliberately incorrect, untrue information about the product. Deceptive designations are those that directly or indirectly convey information that may mislead the buyer.

Thus, having considered this problem, we come to the conclusion that the legal framework for the protection of the right to a trademark is far from perfect. There are many inaccuracies in the legal framework that allow unscrupulous individuals to abuse their rights. E. A. comes to a similar conclusion. Sosnovskaya, saying that effective protection of intellectual property rights is impossible without creating a really working legal mechanism, also noting the importance of addressing the issue of counterfeit products in the Russian Federation, the existence of which violates the interests of bona fide producers [7].

Something similar is said by Pavlova S. A., pointing out that legal regulation in the field of means of individualization of legal entities, and therefore trademarks, including, has a dual nature, combines public and private interest, and also, corresponding to the dual nature of the trademark itself, it is necessary tobuild a legal mechanism of regulation [8].

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