INTA Submission

Comments on the draft federal law “Concerning Amendments to Part Four of the Civil Code of the Russian Federation” (Geographical indications)

INTA would like to submit the following comments on the draft federal law “Concerning Amendments to Part Four of the Civil Code of the Russian Federation”.

The International Trademark Association (INTA) is a global association of trademark owners and professionals dedicated to supporting trademarks and related intellectual property in order to protect consumers and to promote fair and effective commerce.

INTA’s members are more than 7200 organizations from 191 countries. INTA members collectively contribute almost US $12 trillion / €8.8 trillion / ¥73 trillion to global GDP annually. For comparison, the 2016 annual GDP of the top three markets was $11.2 trillion (China), $16.4 trillion (European Union) and $18.6 trillion (United States). The Association’s member organizations represent some 31,000 trademark professionals and include brand owners from major corporations as well as small- and medium-sized enterprises, law firms and non-profits. There are also government agency members as well as individual professor and student members. INTA has 62 member organizations in the Russian Federation.

INTA undertakes advocacy work throughout the world to advance trademarks and related rights, and offers educational programs and informational and legal resources of global interest. Headquartered in New York City, INTA also has offices in Brussels, Shanghai, Singapore, Santiago de Chile and Washington D.C. and representatives in Geneva and New Delhi.

Further information about our Association can be found at www.inta.org.

INTA respectfully submits the following comments on the Draft federal Law:

I. General Comments

INTA has always advocated for the priority principle (First in Time, First in Right) to apply to conflicts between GIs and trademarks, as enshrined in INTA Board Resolution on ‘Protection of geographical indications and trademarks’.

INTA also advocates for any GI registration system to include opposition and cancellation procedures, and be consistent with TRIPS and WTO dispute resolution decisions;

II. Specific comments on the provisions of the draft law

Article 1516, paragraph 2, provides that “A designation shall not be recognized as a geographical indication or appellation of origin, which has become a commonplace name in the Russian
Federation as designating a certain kind of goods without association with the place of its manufacture.

This is an important provision to protect the use of generic terms but there are two concerns that remain in spite of this prohibition.

First, a portion of a GI might coincide with a “commonplace name” but that might not give rise to a refusal.

- Consequently, it is recommended that Article 1516, paragraph 2, be amended to be worded as follows: “A designation shall not be recognized as a geographical indication or appellation of origin, which, or a portion of which, has become a commonplace name in the Russian Federation as designating a certain kind of goods without association with the place of its manufacture. If only a portion of the geographical indication or appellation of origin coincides with a commonplace name in the Russian Federation as designating a certain kind of goods, then the refusal of protection will be withdrawn if a disclaimer of any exclusive rights to that said portion of the geographical indication or appellation of origin is entered into the application record”.

Second, Article 1519, paragraph 3, provides a scope of protection (i.e. what third-parties can be prohibited from using) beyond just the registered term itself. (See also Article 1537, paragraph 1, which provides a similar scope of protection for geographical indications.) What this means is that if the GI does not coincide exactly with a “commonplace name” as described in Article 1516, paragraph 2, then the GI can be registered. Since the scope of protection as stated in Article 1519, paragraph 3 (and Article 1537 paragraph 1), extends beyond the GI itself, then the GI might be able to block the use of a generic term in Russia. Consequently, what needs to be added is a protection for the right to use generic terms irrespective of the registration of GIs that might occur after the establishment of that generic term.

- To accomplish this, what is recommended is that a paragraph 5 be added to Article 1519 that reads as follows: “5. Nothing in this Act shall prevent the use of terms that have become the commonplace name in the Russian Federation as designating a certain kind of goods”.

There does not appear to be contained in this proposed Code amendment a specific prohibition regarding the registration of GIs whose use would create a likelihood of confusion with a prior trademark nor does there appear to be protections for existing trademarks which might fall into the scope of protection of registered GIs. Consequently, it is recommended that the following changes be made:

- Amend Article 1516 by adding an additional paragraph which states: “A designation shall not be recognized as a geographical indication or appellation of origin, if the use of said geographical indication or appellation of origin would create a likelihood of confusion with a prior trademark.”
- Amend Article 1519 by adding a new paragraph 6 as follows: “6. Nothing in this Act shall prevent the use of trademarks that have been protected in the Russian Federation”