Registration of a well-known trademark in Russia does not help registration of a similar well-known mark of the same holder

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Red Bull is the name of an iconic energy drink, which was registered in 2016 as a well-known trademark in Russia. It is a word and design mark consisting of words Red Bull in red color and the image of two red bulls attacking each other against the background of big yellow disk.

In support of the first application for well-known mark status filed with the Russian PTO in 2014, Red Bull GmbH provided massive data and evidence about the company, its history and product, including materials about marketing campaigns, support of sport events and sportsmen, production and sales volumes worldwide and in Russia for the period 2005-2012. The highest figures for production and sales referred to 2008 with a drop down in 2009 and a gradual increase in 2010-2012. The Russian PTO noted that the peak of the marketing activities of Red Bull was during 2006-2009. Among other materials, the company also provided reports on two sociological surveys conducted in 2009 and 2013, which proved the notoriety of the mark among absolute majority of consumers (99% and 94%).

The Russian PTO considered the evidence provided sufficient and registered well-known mark Red Bull, with renown priority date 01 January 2010.

In December 2017 Red Bull GmbH filed an application for registration of another Red Bull trademark as well-known in Russia. This trademark contained the well-known mark Red Bull registered in 2016 with a square-cut silver and dark

blue background and words “energy drink”. The company claimed priority for notoriety as of 2015 and attached to the application documents and materials about marketing and promotional activities, production and sales data for the period 1995 – 2016 and sociological surveys conducted in 2009, 2013, 2016.

The Russian PTO rejected the new application pointing out that much of the evidence referred to the mark already registered as well-known, while the application had been filed for another trademark looking different due to the background element, which was weak, albeit adding a certain effect. The PTO also found that the new application lacked proof of a significant market share of the product, an upward trend of production, sales and marketing spend figures for the period preceding the claimed priority date. The PTO argued that such data should evidence an increase of interest of consumers to the mark by the claimed date, whilst the materials showed reduced production and promotional budgets during 2010-2015.

Furthermore, the PTO was not satisfied with the results of sociological surveys. It was admitted that the last survey of 2016 proved a high level of publicity. However, the PTO compared the results of all three surveys and found that the growth of interest in the Red Bull mark was slowing down. The PTO ultimately attributed the awareness of the newly applied mark to the notoriety of the word mark Red Bull and registered well-known mark Red Bull, and considered a 61% recognition rate of the new mark insufficient.

The trademark owner appealed the rejection to the Russian Court for Intellectual Property (case SIP-25/2019). The Court overruled the decision of the PTO and ordered it to review the application afresh again. As the rationale for its findings, the Court argued that the PTO had not made a full assessment of all evidence provided. The Court relied on the production figures proving the use of the mark for the claimed goods and ruled that the PTO had failed to explain the link made between decrease of production and notoriety of the mark, also suggesting that the decrease could be caused by a slowing economy without effect on consumer awareness.

The Court ultimately ruled that notoriety of the mark should be assessed as of the application date as well, whilst the PTO ignored relevant materials proving increase of renown of the mark during 2015-2017. Besides, assessment of sociological surveys made by the PTO was adjudged incorrect and leading to wrong findings.

The PTO disagreed with the judgement and filed an appeal by cassation that should be heard during 2020. So the final word on the case is yet to come.

There is at least another example of a mark registered as well-known, whilst a related mark was denied notoriety status. These are the trademarks of Russian airplane construction company Tupolev, so named in honor of a famous soviet aircraft designer. The word and design mark Ty (Tu in Cyrillic) was registered in 2019, while the application for registration as well-known of the full name mark Туполев (Tupolev in Cyrillic) is still under dispute before the Court for Intellectual Property.

The PTO invariably states that the review of all applications is made independently and irrespective of any other applications and decisions. There are several examples of registration of multiple well-known marks by other companies, including GAZPROM, Nestle, Nike, Adidas, Reebok, Chanel, Heinz and Yandex, so the Red Bull and Tupolev cases should not be considered as showing a new (negative) tendency of the PTO’s decision-making practice.



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