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## Rospatent Chamber for Patent and Trademark Disputes: FANTOLA is not confusingly similar with FANTA by Coca-Cola

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INTELLECTUAL PROPERTY, RUSSIA

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he Russian producer of soft drinks Chernogolovka (which can be translated as Blackhead, the name of a town in the Moscow region) had filed an application for registration of mark FANTOLA for juices, beverages and other nonalcoholic drinks on 14 September 2018. According to the information shown in the register of the Rospatent, the examination procedure was fast and already on 21 March 2019 a registration decision was issued. There is no record of either a letter of observations, which is a tool aimed at bringing to the attention of the examiner a potential conflict with third parties' rights, or a preliminary rejection decision issued by the Rospatent in connection with the FANTOLA trademark application.

The Russian press reported that US soft drinks multinational Coca-Cola challenged the FANTOLA registration

decision before the Chamber for Patent and Trademark Disputes of the Rospatent (the Chamber), on grounds of conflict with its trademark FANTA. According to the Russian Civil Code, a registered trademark can be challenged by an interested party, by means of a cancellation application filed with the Chamber. The panel of the Chamber reviews the application and the applicant's arguments in support of the alleged non-compliance of the trademark with statutory requirements (e.g. existence of earlier confusingly similar trademark) and can reject the application or cancel the registration in full or in part. The decision of the Chamber can be challenged in turn before the Intellectual Property Court.

The rejection decision in connection with the Coca-Cola application for cancellation of FANTOLA was announced on 25 November 2021; however, the full text of the reasons will be issued only in a month's time. A



representative of the US company told the Russian press that they will take a decision on possible further actions based on the reasons for the decision of the Chamber.

The Russian producer indicated in turn that it considers the cancellation action by Coca-Cola an attempt to abuse of its dominant position against a competitor. Euromonitor International estimates the share of Fanta brand on the Russian soft drinks market as 3,3%, while the market share of all Chernogolovka soft drinks is 4,6%. Conversely, Coca-Cola holds 19,2% overall of the Russian soft drinks market. According to information in the official site of Chernogolovka, the company uses the FANTOLA mark for product lines that include not only soft drinks but also chips and chocolate (https://chernogolovka.com/brands/drinks /fantola/). The FANTOLA trademark was registered for soft drinks first as a word mark in 2019, and later as several word and design marks.

By way of background, Coca-Cola owns a Russian registered well-known mark "COCA-COLA" (registration certificate no.5), which enjoys a wide scope of protection covering all goods and services, even not similar to those registered. Conversely, the FANTA trademark was not registered by Coca-Cola as a well-known mark in Russia. As a result, the rightholder cannot expect any extended protection for FANTA and must rely on the general rules and principles in support of its arguments and evidence in the case at stake.

It is presumably the attempt by Coca-Cola to rely on the notoriety of its main trademark COCA-COLA also for FANTA, that, in the Russian producer's view might be characterized as abusive. However, the Intellectual Property Court has itself no jurisdiction to make a finding of abuse of dominance for antitrust purposes. Under the circumstances, it is expected that the Chamber assessed the level of similarity between FANTA and FANTOLA alone, to decide on the application of Coca-Cola. If the marks were found confusingly similar, the FANTOLA registration decision ought to be cancelled. The second criterion for the assessment is the similarity of goods, as Russian law provides that marks similar to existing registered marks cannot be registered for similar goods. If FANTA was a well-known mark, the similarity of goods would not be essential. In any event, the existence of an alleged dominant position on the market and the abuse of the trademark right is out of scope of both the Chamber and the IP Court and would fall within the competence of the Russian Antimonopoly Agency (FAS) and the general arbitrazh courts. Needless to say, the Chamber's decision is eagerly awaited by the IP legal community as well as the industry.



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