

KYIV ECONOMIC COURT

44-B B. Khmelnytskogo St., Kyiv 01030 tel. 230-31-34

JUDGEMENT

IN THE NAME OF UKRAINE

No. 12/343

02.09.2009

At the suit Limited Liability Company "Ancor Plus"

To State Department of Intellectual Property of the Ministry of Education and Science of Ukraine
Limited Liability Company "Dacor"

In the matter of Declaration of Certificate of Ukraine No. 61833 partially invalid

Judge L.V. Prokopenko

Representatives:

For plaintiff absent
For defendant-1 O.V. Salamov - represent. (PA No. 16-08/1295 of 10.03.09)
For defendant-2 S.M. Kisterska - represent. (PA unnumbered of 24.09.07)

Factual Background:

The claims were lodged to declare the registration of the trademark for goods and services under Certificate of Ukraine No. 61833 for the same and homogenous (related) goods specified in the list of goods and services of the prior trademark registered in Ukraine under the Certificate of Ukraine No. 39685 as executed with violation of the effective laws, to declare partially invalid the Certificate of Ukraine No. 61833 in terms of the goods of ICGS (International Classification of Goods and Services) classes 6, 19, to oblige to enter the corresponding data to the State Register of Certificates of Ukraine for the trademark for goods and services and to make a respective publication in the Official Journal "Industrial Property".

The court decision of 20.08.2007 initiated the proceedings on the case and appointed the court hearing to 25.09.2007.

The court decision of 25.09.2007 postponed the examination of the case to 30.10.2007.

The defendants provided their responses to the case, in which they opposed to allowing of the claims for reasons stated in the responses.

The court hearing of 30.10.2007 was adjourned to 09.11.2007.

The court decision of 09.11.2007 appointed the forensic examination of intellectual property objects related to the case; the proceedings were suspended.

On 28.01.2008 the court received the Conclusion No. 595 of the forensic examination of intellectual property objects; the court decision of 06.02.2008 resumed the proceedings.

The court decision of 20.02.2008 postponed the examination of the case.

The court hearing of 11.03.2008 was adjourned.

The court decision of 18.03.2008 postponed the examination of the case; forensic experts were summoned to the court hearing.

The court hearing of 14.04.2008 was adjourned.

The court decision of 20.05.2008 postponed the examination of the case.

The court decision of 02.07.2008 appointed the reexamination of intellectual property objects related to the case; the proceedings were suspended.

The court decision of 20.07.2009 resumed the proceedings due to receipt of the Conclusion of forensic examination No. 69/08.

The court decision of 11.08.2009 postponed the examination of the case to 02.09.2009; the term for solution of the case was prolonged.

The court hearing of 02.09.2009 announced the introductory and operative part of judgment.

Having studied the materials of the case and having heard the explanations of the representatives of the parties, the court

ASCERTAINED

Under the terms of the license agreement No. 195/12 of 25.12.2006, entered into between Mr. M. Yu. Apollonov (certificate holder - licensor) and LLC "Ancor Plus" (licensee), the licensor transferred to the licensee for the term of the agreement and for compensation the exclusive license for the right to use the trademark for goods and services under the Certificate of Ukraine No. 39685 of 20.11.2001 in the territory of Ukraine in terms of the goods of ICGS classes 06, 19 and 22 and services of ICGS classes 35 and 42 (Ancor + image), for which it has been registered.

The plaintiff alleges that its use of the designation is impeded by LLC “Dacor”, which registered in its name the trademark for goods and services “Dacor+comb.” under the Certificate of Ukraine for the trademark of goods and services No. 61833, which, according to the plaintiff, is similar up to the confusion with the trademark for goods and services under the Certificate of Ukraine No.39685 of 20.11.2001.

In particular, the plaintiff refers to the breach of s. 3, art. 6 of the Law of Ukraine “On protection of rights to trademarks for goods and services”, according to which the designations that are identical or similar to confusion with the prior trademarks or trademarks applied for registration in Ukraine in the name of a different person for the same or related goods and services cannot be registered as trademarks.

The defendant’s designation under the Certificate of Ukraine for trademark for goods and services No. 61833 was applied for registration on 07.06.2004 and registered on 15.05.2006, i.e. later that the plaintiff’s designation under the Certificate of Ukraine of 20.11.2001 No. 39685, which was applied for registration on 20.11.2001 and registered on 17.05.2004.

The plaintiff proves the similarity of designations up to confusion of both designations as follows: both designations are mixed and consist of a graphic part that is dominating and is first to draw consumers’ attention and of words “Anchor” and “Dacor, aluminum and technologies”.

According to the plaintiff, the geometric figure forming the graphic part of the trademark “Dacor+comb.” is similar to confusion with the graphic part of the trademark “Anchor+im.” based on the following factors: general similarity and identity of the nature of the images (the images are stylized, formed of geometric elements), similarity of geometric forms underlying the images (both images consist only of radius elements and straight lines), similarity of the meaning of the graphic parts (both images are perceived as a stylized perspective view of a transparent arched floor).

Considering the above, the plaintiff alleges that graphic part of the trademark under the Certificate of Ukraine for the trademark for goods and services No. 61833 is associated with the graphic part of the trademark under the Certificate of Ukraine of 20.11.2001 No. 39685, despite certain dissimilarities in elements. Besides, the graphic parts dominate both trademarks.

The words "Anchor" and "Dacor" play the role of identification elements rendering to the designations a differentiating ability.

Taking into account the phonetic and visual similarity and semantic vagueness of the identification elements of the trademarks under both certificates, the plaintiff concludes that the word parts of the compared designations create a general impression of similarity.

Therefore, in the plaintiff’s opinion, both designations are similar up to their confusion.

Moreover, the plaintiff refers to both designations being registered for the same goods and services – ICGS classes 6, 19, - indicating on the breach of requirements of s. 3, art. 6 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”.

In light of the above, the plaintiff exercising the right vested upon it under art. 16 of the Law requests the court to declare the Certificate of Ukraine for the trademark for goods and services No. 61833 as invalid.

The defendant, the State Department of Intellectual Property of the Ministry of Education and Science of Ukraine, objects to satisfaction of the plaintiff’s claims based on the fact that the examination results of the application No. 20040605916 show that the applied designation complies with the conditions of provision of legal protection, as provided in art. 5 of the Law of Ukraine "On Protection of Rights to Trademarks for Goods and Services", and the reasons for denial of provision of the legal protection, as specified in art. 6 of the Law, are not applied to it.

The Defendant, the Limited Liability Company “Dacor”, objects to satisfaction of the Plaintiff’s claims for the following reasons.

Art. 6 of the Law sets forth that the trademark may contain unprotected elements if such elements are descriptive and indicative, in particular, of the product type, quality, content, intended use and characteristics. The Law does not restrict the descriptive elements by the word designations.

According to the defendant, the image of the transparent arched floor as part of the designation under the Certificate of Ukraine No. 39685 in terms of the goods of ICGS classes 6, 19, is a descriptive designation since it indicates directly the product type, its intended use and characteristics.

Descriptive images are not able to identify the trademark and cannot be subject to the exclusive right, as they indicate directly the products, whereas its realistic image, regardless of the styling, will be associated not with the trademark under the Certificate of Ukraine No. 39685 but rather with the product, being a transparent floor on a carcass. This is exactly the way the designation is perceived by a customer, for a descriptive designation does not have any differentiating ability.

Therefore, in the defendant’s opinion, a graphic element of the trademark under the Certificate of Ukraine No. 39685 should not be taken into consideration when defining the similarity of disputed trademarks as a descriptive one and as the one indicating on specialization of the trademark’s owner.

Furthermore, the defendant objects to the fact that the word designation “Dacor” under the Certificate No. 61833 is similar to confusion to the word “Anchor” under the Certificate No. 39685.

Namely, the defendant alleges that, when defining the similarity of the trademarks, one should not consider the phonetic similarity but rather the similarity of meaning of a similar word or a word with similar syllables since a human brain identifies the object by comparing it with the information at hand.

Since words “Dacor” and “Ancor” begin with different syllables - the first one with a consonant and the second one with a vowel - these words are identified as dissimilar, including by phonetic features.

As to the designation of “Dacor” under the Certificate No. 61833, the plaintiff additionally sets forth that the word part of the trademark consists of words “Dacor”, “aluminum”, “technologies” and preposition “and” executed in Cyrillic with letters of Ukrainian alphabet, whereas the designation of “Ancor” under the Certificate No. 39685 consists only of one word, which is an additional evidence of their dissimilarity including the phonetic one.

According to the defendant, semantically the word “Dacor” is imaginary, although it may be derived from a French word *d'accord* (agreed, good).

The word “Ancor” is derived from a French word *encore* (more, additionally, besides, again).

Therefore, the word “Ancor”, unlike the word “Dacor”, has a meaning, which increases the dissimilarity between the two words.

The defendant also notes that LLC “Dacor” has been using the trademark since the company’s founding in June 2001. The detailed information about the defendant's products is presented in the defendant's catalogues.

Besides, the defendant is unaware of any facts of its trademark being confused with the plaintiff's trademark, which proves their dissimilarity.

According to the Conclusion No. 395 of 15.01.2008 of the forensic examination of intellectual property objects, *the trademark for goods and services under the Certificate of Ukraine No. 61833 contains words “Aluminum and technologies”, which are not subject to individual legal protection, the trademark for goods and services under the Certificate of Ukraine No. 61833 does not consist only of designations that do not have a differentiating ability (indicate the products’ type, quality, quantity, characteristics, intended use, value, place and time of their production or selling etc), the trademarks under the Certificates of Ukraine No. 39685 and No. 61833 are not identical or similar to their confusion.*

According to the Conclusion No. 69/08 of 26.06.2009 of the reexamination of intellectual property objects, *the trademark for goods and services under the Certificate of Ukraine No. 61833 contains the element, which is not subject to protection, the trademark for goods and services under the Certificate of Ukraine No. 61833 does not consist only of designations that do not have a differentiating ability, the goods, for which the trademark under the Certificate of Ukraine No. 39685 has been registered, are the same, i.e. homogenous with the goods and services, for which the trademark for goods and services under the Certificate of Ukraine No. 61833 has been registered, the compared trademarks under the Certificates of Ukraine No. 39685 and No. 61833 are not identical or similar to their confusion.*

Having analyzed the materials of the case and explanations of the parties’ representatives, the court concludes that the claims are unjustified and are not subject to approval for the following reasons.

According to the art. 19 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, the certificate can be judicially declared invalid in full or in part subject to: a) noncompliance of the registered trademark with the terms of provision of legal protection; b) availability of elements of the trademark’s image and the list of goods and services, which were not present in the submitted application, in the certificate; c) issue of the certificate as a result of submission of application with violation of the rights of third parties.

The materials of the case, the explanations of the representatives of the parties, and the conclusions of the forensic examinations accepted by the court as appropriate proofs in the case, give reasons for the court to conclude that in this case there are no reasons to declare the registration of the trademark for goods and services under the Certificate of Ukraine No. 61833 for the same and homogenous (related) goods specified in the list of goods and services of the prior trademark registered in Ukraine under the Certificate of Ukraine No. 39685 as executed with violation of the effective laws, to declare the Certificate of Ukraine No. 61833 in terms of the goods of ICGS classes 6, 19 as partially invalid.

In particular, in the course of examination of the case, no evidence was provided to support the allegations of the plaintiff about similarity of the designations under both certificates for the goods and services up to their confusion, which could attest the breach of s. 3, art. 6 of The Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services” during registration of the designation under the Certificate No. 61833.

Firstly, no facts of confusion of the plaintiff’s and the defendant’s goods of ICGS classes 6, 19 in the course of their normal business (selling of goods), which could result in bringing the action before court, were provided to the court.

Secondly, the analysis of both mixed designations in general and their elements in particular doesn’t give any reasons to conclude their similarity up to their confusion.

In particular, both mixed designations are neither identical nor similar to their confusion both in terms of the graphic elements and in terms of the word elements.

The dominating elements in both mixed designations are words - Ancor and Dacor – since they are perceived not only visually, but also audibly, whereas the graphic elements are perceived only upon visual examination of the designations (the words *aluminum and technologies* of the designation under the Certificate of Ukraine No. 61833 are not taken into account in comparison of the word parts of the designations, since they are not subject to legal protection).

According to the Rules of Execution, Submission and Consideration of Application for Issue of Certificate of Ukraine for Trademark for Goods and Services, approved by the order of the State Patent Authorities No. 116 of 28.07.1995, when defining the similarity of word designations, audible (phonetic), graphic (visual) and meaning (semantic) similarity is taken into account (p. 4.3.2.6).

The comparison of these two word elements does not give any reasons to the court to conclude that there is a possibility of their confusion based on any of the above features.

In particular, the first syllables of the designations do not coincide, whereas the coincidence of the second syllable is not decisive for phonetic differentiating ability of the designations.

Taking into account the foreign (French) origin of both word elements, the court believes that they do not cause any semantic associations of the product consumers and are generally perceived as imaginary.

The information provided in the conclusion of the forensic examination No. 69/08 proves that both words – Ancor and Dacor – are widely used in the names of enterprises regardless of the type of their activities.

All of the above, in the court's opinion, proves that there are no reasons to conclude that there is a possibility of potential confusion of the goods produced under both designations, even in terms of the goods of the same ICGS classes.

The comparison of the word elements based on the graphic feature proves their dissimilarity since their writing provides for the use of different fonts and letter sizes, which practically renders their similarity during visual perception impossible.

According to the Rules of Execution, Submission and Consideration of Application for Issue of Certificate of Ukraine for Trademark for Goods and Services, approved by the order of the State Patent Authorities No. 116 of 28.07.1995, the designation is considered to be similar up to the confusion with another designation if it is associated with the latter in general regardless of individual dissimilarity of elements (p. 4.3.2.4).

All of the above proves that there are no reasons to conclude that the designations are generally similar since the difference in all individual features does not create a general impression of similarity between the designations.

On the basis of the above and being governed by articles 49, 82-89, 93 of the Code of Civil Procedure of Ukraine, the court

ADJUDGED:

1. The satisfaction of the claims be refused.
2. The judgment may be appealed against according to the procedure of appeal within 10 days after being signed.

Judge
Date of signing 21.09.2009

/signature/

I.V. Prokopenko
/seal of Kyiv
Economic Court/