

Challenge for the Name

text:

Valentina Orlova

VALENTINA ORLOVA, Head of Intellectual Property and Trademark Practice, Pepeliaev Group, explains how to choose a name that would comply with the law.

Lately, one of the popular subjects for discussion has been naming of shopping centers, stores, shops, retail chains, restaurants, cafes, etc. Undoubtedly, this is an issue of importance for any type of business. While regulations for trademark rights and using trademarks are more or less well — known, details regarding trade names and commercial names need further clarification.

Legislation Pertaining to Trade Names

I

what is allowed or necessary (Dos)

- a trade name shall contain an indication of its organizational and legal form and the actual name of the legal entity, which shall not consist solely of words designating a kind of activity (*Item 2 of Art. 1473*);
- a legal entity shall have a full name and has the right to have an abbreviated name, both of them in the Russian language. A legal entity shall have the right to have also a full and/or abbreviated trade name in the languages of the peoples of the Russian Federation and/or foreign languages (*Paragraph 1 of Item 3 of Art. 1473*);
- the trade name of a legal entity in the Russian language and the languages of the peoples of the Russian Federation may contain foreign borrowings in the Russian transcription or in transcriptions of the languages of the peoples of the Russian Federation correspondingly, with the exception of terms and abbreviations reflecting the organizational and legal form of the legal entity (*Paragraph 2 of Item 3 of Art. 1473*);
- the trade name of a state unitary enterprise may contain an indication that such an enterprise belongs to

the Russian Federation or to a subject of the Russian Federation correspondingly (*Paragraph 2 of Item 4 of Art. 1473*);

- inclusion in the trade name of a legal entity of the official name of the Russian Federation or Russia, as well as of words derived from this name shall be allowed with the permission issued in accordance with the procedure set forth by the Government of the Russian Federation (*Paragraph 3 of Item 4 of Art. 1473*).

II

what is not allowed (Don'ts)

- full or abbreviated official names of foreign countries, and also words derived from such names;
- full or abbreviated official names of federal bodies of state authority, bodies of state authority of subjects of the Russian Federation and bodies of local self— government;
- full or abbreviated names of international and intergovernmental organizations;
- full or abbreviated names of public unions;
- names that are contrary to public interests and also to principles of humanity and morality;
- a trade name or separate elements thereof may be used by the right holder in the composition of a commercial name belonging to the right holder. A trade name included in a commercial name shall be protected independently of the protection of the commercial name;
- a trade name or individual elements thereof may be used by the right holder in a trademark or service mark belonging to the right holder. A trade name included in a trademark or service mark

shall be protected independently of the protection of the trademark or service mark;

- the use by a legal entity of the trade name identical to the trade name of another legal entity or confusingly similar to it shall not be allowed if the aforesaid legal entities conduct similar activity and the trade name of the second legal entity was included in the Single State Register of Legal Entities earlier than the trade name of the first legal entity.

III

legislation Pertaining to Commercial Names

- a commercial name may include the trade name of the right holder or individual elements thereof. In this case the exclusive right to the commercial name shall arise and be effective independently of the exclusive right to the trade name;
- a commercial name or individual elements of this name may be used by the right holder in the trademark belonging to the right holder. A commercial name included in a trademark shall be protected independently of the protection of the trademark;
- the use of a commercial name capable of misleading with respect to the ownership of an enterprise, in particular, of a commercial name confusingly similar to a trade name, trademark, or a commercial name protected by the exclusive right and belonging to another person for whom the corresponding exclusive right has arisen earlier, shall not be allowed;
- a person who has violated this provision shall be obliged on demand of the right holder to terminate the use of the commercial name and shall remunerate the right holder for the damage caused.