

World Trademark Review Daily

Absolut vodka maker prevents registration of mark containing Russian word '*absolutny*'
Israel - Gilat, Bareket & Co., Reinhold Cohn Group

**Examination/opposition
National procedures**

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In *V&S Vin & Spirt Aktiebolag v Nemiroff Intellectual Property Establishment* (Opposition to registration of mark 194086, May 21 2012), the IP adjudicator has refused to register the mark NEMIROFF ABSOLUTNY CHAMPION for vodka on the grounds that it created unfair competition with the registered well-known mark ABSOLUT.

The applicant, the Ukrainian manufacturer of the Nemiroff vodka, holds a variety of trademark registrations that contain the word 'Nemiroff'. It sought to register a mark that combined the word 'Nemiroff' in Latin characters with the Russian words '*absolutny champion*' ('absolute champion') in Cyrillic characters.

The opponent, the Swedish manufacturer of the Absolut vodka, holds a variety of trademark registrations containing the word 'absolut'. It opposed the application, relying, among other things, on:

- the opposed mark's lack of distinctive character under Section 8(a) of the [Trademarks Ordinance \(New Version\) \(5732-1972\)](#);
- the opposed mark's confusing similarity with its registered mark under Section 11(9);
- a likelihood of association with its well-known registered mark under section 11(14); and
- public deception and unfair competition under Section 11(6).

The IP adjudicator held that it had been proven to her that the opponent's ABSOLUT mark was well known in Israel; in contrast, it had not been proven that NEMIROFF, the applicant's house mark, was well known.

The IP adjudicator further held that the opposed mark was not similar to the opponent's mark visually or phonetically so as to be confusing. Therefore, it was not barred from registration on the basis of confusing similarity with the opponent's registered mark.

However, the IP adjudicator applied the dilution doctrine, which has been adopted in Israeli law via the 'unfair competition' ground of refusal under Section 11(6). Analysing the applicability of the dilution doctrine, she held that the opponent is an international business that transcends national borders and that its mark is famous. She noted that a famous mark that is a dictionary word is - as was held in respect of the opponent's ABSOLUT mark in *V&S Vin & Spirt Aktiebolag v Absolute Shoes Ltd* (CA 9191/03 [2004]) - afforded a relatively low degree of protection.

However, in the present case, the parties were aggressive competitors that marketed the same goods and the opponent had showed that it used its ABSOLUT mark in conjunction with other words, including 'champion'. Therefore, it seemed that, by choosing the mark NEMIROFF ABSOLUTNY CHAMPION, the applicant intended to benefit from the reputation of the ABSOLUT mark. This met the test of dilution set forth in the *Darjeeling* case (*Tea Board of India v Delta Lingerie SA* (CA 10959/05 [2006], ACH 10639/06 [2008])). The IP adjudicator noted that a well-known mark that possesses weak inherent distinctive character may not be entitled to protection on the grounds of dilution if the marks are not similar or the goods are significantly different. She also noted that a finding of unfair competition could also be reached by considering whether the opposed mark had been chosen in good faith.

The applicant's claim that the '*absolutny*' component of its mark was comprehensible only to Russian-speaking consumers was rejected, as the Russian-speaking segment of the Israeli market was not negligible.

Accordingly, the IP adjudicator held that the mark was not registrable, as it created unfair competition in contravention of Section 11(6) of the ordinance. It awarded costs of IS25,000 against the applicant.

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