

## Question Q234

**National Group:** ESTONIA

**Title:** Relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation

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## Questions

The Groups are invited to answer the following questions under their national laws.

### I. Analysis of current law and case law

- 1) How is the relevant public for purposes of determining the degree of recognition of famous, well-known and reputed marks defined in your jurisdiction? Is it the general public at large or a relevant sector of the public that is considered to be the relevant public in determining the knowledge, recognition or fame of a mark?

*In Estonia, the relevant public for determining the degree of recognition of well-known trade marks is the relevant sector of the actual and potential consumers of goods or services analogous to the goods or services to which the trade mark applies, the sector of persons involved in channels of distribution of such goods or services, or business circles dealing with such goods or services (Art. 7(3)(1) of the Trade Marks Act). It is sufficient for recognising a trade mark as being well known if the trade mark is known to the majority of persons in at least one of the sectors specified above (Art. 7(4) of the Trade Marks Act). Thus, the Trade Marks Act follows Art. 2 of the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks adopted by the WIPO in 1999.*

- 2) Please clarify whether your jurisdiction uses several of the terms discussed in sections 22-26. If so, is the “relevant public” construed differently when determining the recognition of famous marks, well-known marks and marks with reputation respectively (and, if applicable, marks subject to another term)? Is the assessment made based on the same criteria?

*The Trade Marks Act only uses the term well-known trade mark. In practice, this general term is used without differentiating between a trade mark that has a reputation or is famous. Thus, the “relevant public” is not construed differently when determining the recognition of famous marks, well-known marks and marks with reputation; the assessment is made based on the criteria provided in answer to question 1.*

- 3) If the relevant public can be a limited sector of the public please respond (if applicable with reference to statutory provisions and/or case law) to the following questions.
- a) Please briefly describe the criteria for determining the relevant public. Is consideration taken e.g. to age, gender, geography, culture, groups with special interests, sophistication/skill of the consumer? Is consideration taken to the way the goods or services with the trademark in question are marketed?

*Determining the relevant public depends on the type of product or service in question. In case of mass-consumption products or services, the wider public is considered. For example, when it was determined if the name of the airport was well known, the court assessed the knowledge of the citizens and average consumers (County Court decision No. 2-10-47190, Lennart Meri Tallinna L). The courts usually consider the average consumer to be reasonably informed and attentive (Appellate Court decision No. 2-12-4639, Bauhaus).*

*In case of goods or services that target a specialised public, knowledge among a specific group is sufficient. In a case to determine if the name of the radio station was well known, the court took into account the age of the people listening to this programming. The court held that the audience of the radio station could be limited to an age group; however, it was not allowed to further limit the audience to a certain geographical area. (Appellate Court decision No. 2-09-19060, Energy/NRJ) In a case to determine if the wine label was well known, the court assessed whether the adult consumers who drink wine and alcoholic beverages knew the trade mark (Appellate Court decision No. 2-07-52916, Chill Out).*

*Due to the principle of territoriality, the relevant public is determined by the degree of recognition of the trade mark in the territory of Estonia (County Court decisions No. 2-12-4639, Bauhaus; and No. 2-10-16422, Tallink Hotels). The fact that the trade mark is well known in other countries can be taken into account, but it is not a determining factor (BoA decision No. 789-o, Versus). Also, the degree of knowledge of an earlier trade mark in other countries can be considered when assessing whether the application for registration of a later mark has filed in bad faith or the use has commenced in bad faith (BoA decisions No. 893/894-o, Buddha Bar; and No. 1193-o, Cream).*

*In addition, the way the goods or services with the trade mark in question are marketed can be taken into consideration. For example, in a case where a company provided information regarding its products and services on its website, the court held that the number of users visiting the website can be a factor in determining if the trade mark is well known. The fact that most of the traffic on the website came from Estonia's neighboring country, Finland, did not prevent the trade mark from being well known in Estonia. Sales statistics were also taken into account. (County Court decision No. 2-08-78521, Super Alko and Viinarannasta)*

- b) Would the relevant public be populated by actual/potential consumers/buyers of the products/services in question only or a larger public? Please explain how the delimitation is made.

*Pursuant to the Trade Marks Act, the relevant public is determined by the actual and potential consumers of the goods or services (Art. 7 (3)(1)). The courts have emphasized that the trade mark does not need to be well known by the public at large in order to be considered as a well-known trade mark (Appellate Court decision No. 2-07-2100, Belöi Aist; County Court decision No. 2-08-28868, Swedbank). However, in cases concerning mass-consumption products or services, the wider public is considered than in cases that concern goods or services that target a specialised public.*

- c) Could the relevant public be composed of business/professional end consumers?

*Yes, the relevant public can be composed of business/professional end consumers as they are consumers in the meaning of the Trade Marks Act. The fact that a company or an individual uses the product or service for work rather than for personal use will not make any difference.*

- d) Could the relevant public be composed of people in the trade of the goods or services in question, such as distributors, licensees and retailers?

*Yes, according to the Trade Marks Act, the relevant public can be composed of persons involved in channels of distribution of such goods or services, or business circles dealing with such goods or services (Art. 7 (3)(1)). However, the assertions made by business partners that a trade mark is well known are not sufficient to show that this is true. It has been held that the fact that the business partners of the plaintiff knew the trade mark was not enough to show that the mark was well known among the people involved in channels of distribution or in business circles dealing with such type of goods, because assertions from business partners were held not to be reliable, and thus, not imputable to the whole distribution channel of similar goods. (Appellate Court decision No. 2-11-30329, Vene Juust)*

- e) Could the relevant public be "mixed" in a sense that it is composed of persons involved in trade, professional/business end customers and private end customers?

*Yes, the relevant public can be "mixed" to compose of persons involved in trade, professional/business end customers and private end customers.*

- f) How limited in terms of quantification can the relevant sector of the public be to constitute the relevant public? Is there a clear established "lowest level"?

*There has not been established a specific threshold as to the relevant sector of public required in order to consider the mark to be well known under the Trade Marks Act.*

- g) Is it possible to see any differences for different products/ industry sectors in respect of the delimitation of the relevant public?

*In cases concerning mass-consumption products or services, the relevant public is usually construed more broadly than in cases concerning products or services that target groups with special interests.*

- 4) Are there any differences between the "relevant public" concept when assessing the recognition of trademarks in respect of e.g. dilution, free riding, or when determining likelihood of confusion in infringement proceedings?

*In infringement proceedings, where the likelihood of confusion is in question, the court establishes the relevant public according to the criteria provided in answer to question 1. In dilution cases, the Trade Marks Act requires the trade mark to be known to the majority of the Estonian population. However, as shown below, in practice it should be enough to show that the trade mark is well known in one of the relevant sectors of public, rather than by public at large.*

*Under the Trade Marks Act, protection against dilution is available. The Act provides that the legal protection shall not be granted to a trade mark which is identical or similar to an earlier registered trade mark or a trade mark which has been filed for registration or to a trade mark which is known to the majority of the Estonian population and which has been granted legal protection for different kinds of goods or services, if the use of the later trade mark might take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark which has been acquired by the filing date of the application or by the date of priority of the later trade mark (Art. 10 (1)(3)). In addition to the referred dilution provision regarding registration, the Act also provides a virtually identical infringement provision relating to dilution (Art. 14 (1)(3)). Thus, according to the language of the Act, unless the trade mark has been registered or filed for registration, the trade mark has to be known to the majority of the Estonian population in order to have protection against dilution.*

*Art. 4(4)(a) and 5(2) of the Council Directive No. 89/104/EEC to Approximate the Laws of the Member States relating to Trade Marks, provide protection against dilution for trade marks that have a reputation in the member state. The ECJ has held that a reputation throughout the entire country cannot be required by the European Union member states, and thus, member countries may not exclude from anti-dilution protection those trade marks that have the required reputation among a specialised public, for example consisting only of the traders in a specific sector (Case C-375/97, General Motors, para. 24). Even though dilution provisions in Estonia have often been applied when the product or service is known to the majority of the Estonian population (e.g. in BoA decisions No. 1260-o, Alma; No. 864-o, Kalevipoeg; and No. 917-0, BBC), and to our knowledge, neither the Industrial Property Board of Appeal nor courts have clearly stated if the trade mark known in one of the relevant sectors of public would suffice in dilution cases; the guidelines given by the ECJ regarding the determination of relevant public in dilution cases will most likely be followed.*

*As a side note, Estonia is in the process of codifying its intellectual property law and one of the issues brought out in the codification plan has been the language used in Art. 10 (1)(3) and 14 (1)(3) of the Trade Marks Act regarding the protection against dilution. There has been a proposal to replace the wording that requires the trade mark to be known to the majority of the Estonian population with a requirement that the mark be a well-known trade mark in order to enjoy protection against dilution (Tanel Kalmet, Almar Sehver, Margus Sarap jt, Tööstusomandiõigusega kaasnevate probleemide koondkaardistus. Almar Sehver, Valdavale enamusele elanikkonnast tuntud kaubamärk. 10.07.2012, lk 11); thus, it would be enough to show that the trade mark is known in the relevant sector of public rather than by public at large. This approach would be consistent with the ECJ case law related to dilution, and thus, would clarify the law in Estonia.*

- 5) When does the assessment of the relevant public come into play e.g. in registration matters, proceedings in respect of wrongful use such as free riding, dilution, infringement proceedings, and opposition proceedings?

*In Estonia, the relevant public comes into play in registration matters as well as in proceedings in respect of wrongful use, such as free riding, dilution, infringement proceedings, and opposition proceedings. The trade mark may be recognised as being well known, and thus, relevant public could be determined, in the following three instances (Art. 7 (1) and (2) of the Trade Marks Act):*

- a. the Estonian Patent Office – in connection with the registration procedure of the trade mark or other trade marks;*
- b. the Industrial Property Board of Appeal (BoA) – in connection with the adjudication of an appeal against a decision of the Patent Office or a revocation application concerning the legal protection of the trade mark; and*
- c. the courts – in connection with an action or appeal concerning the legal protection of the trade mark. A court shall recognise a trade mark as being well known at the request of the trade mark owner.*

- 6) Is the relevant public determined by a test, a specific procedure or in some similar manner, or rather on a case-by-case basis? Please give a brief description of how the test or analysis is made.

*The relevant public is determined on a case-by-case basis depending on the facts and circumstances of each case. Evidence regarding the relevant public and the degree of recognition of the trade mark among them, such as surveys, tests, and statistics, shall be submitted by the claimant, i.e. by the person requesting to recognise a trade mark as being well known in Estonia.*

*The claimant shall prove the fact that the trade mark is well known among the actual and potential consumers of the goods or services. This can be done by surveys or tests. For example, a telephone survey (BoA decision No. 1260-o, Alma) and in-hall test among target consumers (Appellate Court decision No. 2-07-52916, Chill Out) were held to be sufficient methods. Also statistics, including sales statistics, can be submitted as evidence (Appellate Court decision No. 2-07-52916, Chill Out; and BoA decision No. 1045-o, Eesti Pagar).*

*Based on the information provided, the Industrial Property Board of Appeal or court decides whether the submitted evidence is enough to prove that the relevant public consider the trade mark to be well known in Estonia. If the claimant claims that the trade mark is well known without evidence or if insufficient information is provided, the trade mark is not considered to be well known. (Appellate Court decision No. 2-06-15440, rate24; BoA decision No. 1193-o, Cream)*

## **II. Proposals for harmonisation**

Is harmonisation desired? If yes, please respond to the following questions.

- 1) Is it the general public at large or a particular sector of the public that should be considered as the relevant public in determining the knowledge, recognition or fame of a mark?

*We are of the opinion that any relevant sectors of the public, including a limited product market, shall suffice when determining the knowledge, recognition or*



*fame of the trade mark. This approach is adopted in the Trade Marks Act, and it is in accordance with the position provided in the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks adopted by the WIPO; it also follows ECJ case law regarding the matter.*

- 2) Please briefly set out the criteria to be used when establishing the relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation.

*The criteria provided by the WIPO in the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks could be used when establishing the relevant public for determining the degree of recognition of famous trade marks, well-known trade marks and trade marks with reputation. Furthermore, in addition to using this standard when determining the relevant public in infringement proceedings, where the likelihood of confusion is in question; it could also be used in cases related to dilution.*

*Recognition of a trade mark in a limited product market should be sufficient when granting protection against dilution. The requirement for the claimant to prove that the later trade mark might take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark, already limits the application of the dilution provision. We believe that it should not be further limited by the requirement that the trade mark shall be known by the public at large in order to enjoy protection. This approach would also give courts more flexibility when determining whether a trade mark is eligible for dilution protection.*

*However, even if the general requirement is that the trade mark shall be known by the public at large in order to enjoy protection against dilution, the following exception should exist: when the reputation is acquired in a limited product market, it is possible to be protected against a defendant who is using the later trade mark in the same limited product market. This exception is applied by some of the courts in the United States (*Times Mirror Magazines, Inc. v. Las Vegas Sports News, LL.C.*, 212 F. 3d 157, 164 (3d Cir.2000)), where trade marks that are famous only in a limited product market are generally not eligible for dilution protection.*

- 3) Should the relevant public be construed differently for famous marks, well-known marks or marks with a reputation? If so, please define the terms used and describe what criteria is to be used for the different types of marks.

*The relevant public shall not be construed differently for famous marks, well-known marks or marks with a reputation.*

- 4) Would it be possible or desired to establish a test or a specific method of establishing the relevant public or should this be done on a case-by-case assessment? How should the test or analysis be made?

*We are of the opinion that there is no need to establish a test or a specific method of establishing the relevant public; it should be done on a case-by-case assessment.*

National Groups are invited to comment on any additional issues concerning the relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation that they deem relevant.

## **SUMMARY**

According to the Trade Marks Act, the relevant public for determining the degree of recognition of well-known trade marks is the relevant sector of the actual and potential consumers of goods or services, the sector of persons involved in channels of distribution of such goods or services, or business circles dealing with such goods or services.

The trade mark does not need to be well known by the public at large in order to be considered a well-known trade mark. However, in cases concerning mass-consumption products or services, the relevant public is usually considered more broadly than in cases concerning products or services that target groups with special interests.

The criteria provided in Art. 2 of the Joint Recommendation adopted by the WIPO could be applied when determining the relevant public in infringement proceedings, where the likelihood of confusion is in question, and in cases related to dilution. In both cases, protection should be granted if the trade mark in question is known by the majority of persons in the relevant sector of public.

## **RÉSUMÉ**

Selon la loi sur les marques, le public pertinent pour déterminer le degré de reconnaissance des marques bien connues est le secteur concerné des consommateurs actuels et potentiels de biens ou de services, le secteur des personnes impliquées dans les canaux de distribution de ces marchandises ou des services ou des milieux d'affaires portant sur ces biens ou services.

La marque n'a pas besoin d'être connue par le grand public afin d'être considéré comme une marque bien connue. Toutefois, dans les affaires concernant la consommation de masse des produits ou services, le public pertinent est généralement considérée comme plus large que dans les affaires concernant des produits ou des services que les groupes cibles ayant des intérêts spéciaux.

Les critères prévus à l'art. 2 de la Recommandation commune adoptée par l'OMPI pourraient être appliquées lors de la détermination du public pertinent dans une procédure d'infraction, où le risque de confusion est en cause, et dans les cas liés à la dilution. Dans les deux cas, la protection doit être accordée que si la marque en question est connu par la majorité des personnes dans le secteur concerné du public.

## **ZUSAMMENFASSUNG**

Nach dem Markengesetz ist der maßgebliche Verkehrskreis, um den Bekanntheitsgrad von bekannten Marken zu bestimmen, der betreffende Kreis von aktuellen und potentiellen Verbrauchern von Waren oder Dienstleistungen, der Kreis von Personen innerhalb der Vertriebskette von solchen Waren oder Dienstleistungen oder Wirtschaftskreise, die mit solchen Waren oder Dienstleistungen handeln.

Die Marke muss nicht von einer breiten Öffentlichkeit gekannt, werden, um als bekannte Marke angesehen zu werden. In Fällen, die jedoch Massenwaren und -dienstleistungen betreffen, wird der maßgebliche Verkehrskreis meist weiter gesehen als in den Fällen, die Waren oder Dienstleistungen betreffen, die auf Gruppen mit besonderen Interessen abzielen.

Die in Art. 2 der von der WIPO verabschiedeten Gemeinsamen Empfehlungen enthaltenen Kriterien können angewandt werden, um den maßgeblichen Verkehrskreis in Verletzungsverfahren zu bestimmen, in denen die Verwechslungsgefahr in Frage steht, und in Fällen, in denen es um die Verwässerung der Marke geht. In beiden Fällen sollte Schutz gewährt werden, sofern die fragliche Marke der Mehrheit des betroffenen Verkehrskreises bekannt ist.