

**Yelizarov I., Kruhlenko L., Chorna Y.
I. Mel'nikova, research supervisor
Kryvyi Rih National University**

PRIVATE TRADEMARKS IN UKRAINE

Ukrainian rapid development of retail networks has dramatically increased the number of their users, as well as sharpened the problems of loyalty and better meeting of customer needs, including the quality of goods. In the second half of the last century the world's leading retailers began to use the so-called private brands or Ukrainian version – private trademarks.

Private trademarks (PT) are retailers' local brands, dedicated to providing products made by different manufacturers, but with the same quality, which is controlled and guaranteed by the trading network. As practice shows, for own brand names prices are set lower than for similar branded goods, by reducing the cost of its distribution, packaging and promotion.

Creation and implementation of local trademarks in the Ukrainian retail chains actively began to develop only in the last few years. Thus, according to various estimates, the Ukrainian retail chains share of private label is about 5%, while the leading international networks offer customers products with private label to 40% or more of its range. A significant proportion of private trademarks range enables distribution network to increase its influence in the chain «producer-dealer-to-consumer» - more actively influence the producer and to guarantee the reliability and quality of the goods for the consumer more confidently.

Striking examples of the implementation of PT in Ukraine are, first of all, the company «ATB-Market», which has more than 25 own brands, «METRO Group» - about 10, retail chain «Velyka Kyshenya» - more than 5 and others.

Private trademarks, their structure and promotion strategy in each of the commercial networks have their own individual characteristics. Usually retail chain has its own portfolio of its private trademarks, which can be differentiated by price parameters (economy, medium and premium segments), by type of commodity groups (food, beverage, household goods, etc.) or on purpose (goods for restaurants, hotels, etc.).

The names of the PT may contain or not contain the very name of the trade network. Normally the usage of the PT in its network name is used for products of the middle segment and of premium, where the quality is more guaranteed. The structure and volume of the portfolio of private trademarks can also be different and depend on the trade network goals, objectives and fantasy (creators of the PT). According to experts, in the near future the direction of development and expansion of private trademarks in retail chains in Ukraine will only grow.

The main advantages of the private trademark of the retail chain are as follows:

1) the ability to sell products much cheaper than similar branded products, 2) the impact on manufacturers of branded goods, 3) the possibility of a price war with branded products; 4) a large profit; 5) indirect advertising network. The main disadvantages: 1) problems with the producers, 2) bad product, released under the name the network may help to spoil the users attitude to the network itself.

Active development of private trademarks (PT) of retail networks is a task certainly relevant to the networks themselves, and useful for buyers and very interesting for branding companies that can demonstrate and develop their creative potential for the benefit of society.