

Filing of several applications similar to well-known mark may indicate bad faith

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Turkey - Mehmet Gün & Partners

In a case involving the trademarks SAIKON and SEIKO, the 11th Civil Chamber of the Turkish Court of Appeal has considered that the filing of several trademark applications that were similar to a registered trademark was an indication of bad faith.

The plaintiff, a Japanese watch company, filed an opposition against the application for the trademark SAIKON by Enerji Elektronik San ve Tic AŞ, on the grounds that:

- it was similar to its earlier registered trademarks SEIKO;
- its earlier registered trademarks were well known; and
- the applicant had acted in bad faith.

Following the rejection of the opposition and an unsuccessful appeal to the Higher Board, the plaintiff filed an action before the Ankara Fourth Intellectual Property Court, seeking the cancellation of the Higher Board's decision.

Before the court, the plaintiff argued that it was the owner of various trademarks registered in Turkey and that its cited trademarks are registered in more than 100 countries. Moreover, the plaintiff stated that:

- the trademark SAIKON was indistinguishably similar to its SEIKO marks;
- the application for SAIKON was only one of the trademark applications filed by the defendant in order to take unfair advantage of, or be detrimental to, the distinctive character of the plaintiff's trademarks; and
- the defendant had acted in bad faith.

The first instance court partially upheld the action, finding that:

- the parties' trademarks were similar;
- the goods and services covered by the marks were similar; and
- there was a likelihood of confusion between the marks.

However, the court rejected the plaintiff's arguments that its trademarks were well known and that the defendant had acted in bad faith.

The first instance court's decision was appealed by both parties. The 11th Civil Chamber of the Court of Appeal upheld the first instance court's decision insofar as it had partially upheld the action, but annulled the decision insofar as the court had partially dismissed the action (Decision No 2011/13959 E, 2013/10964).

After confirming that the trademarks were similar, the Civil Chamber referred to a final decision rendered by the Ankara Second Intellectual Property Court (No 2010/28 E, 2010/69 K) and ratified by the 11th Civil Chamber of the Court of Appeal (No 2010/8789 E, 2012/956 K), in which it had been found that the same defendant had filed the trademark application for SEIKON in bad faith.

The Civil Chamber then held that, taking into account the similarity of the trademark application at issue in this case, as well as of the defendant's earlier trademark applications, to the plaintiff's trademarks, the defendant's application for SAIKON had been filed in bad faith and should be rejected for all the goods and services for which registration was sought. The court noted that the defendant had filed applications for SEIKON, SAIKON and SEYKON, among others. Therefore, the first instance court's decision to dismiss the action with regard to the goods and services that were dissimilar to the goods and/or services covered by the plaintiff's trademarks was incorrect.

The decision shows that the filing of several trademark applications that are similar to a well-known registered trademark can be considered as an indication of bad faith, and that such applications will be rejected for all goods and services, even if the cited trademarks are not registered for goods and/or services in those classes. The deadline for applying for a revision of the decision has not yet expired, and the trial will resume in the IP Court in light of the Court of Appeal's findings.

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