



Uğur Aktekin



Güldeniz Doğan Alkan

Update: “The IP Code” in Turkey

Turkey abolished the current IP related decree-laws, and the Industrial Property Code No. 6769 (“the IP Code”) entered into force on January 10, 2017. *Uğur Aktekin and Güldeniz Doğan Alkan, Gün + Partners, Istanbul*, review the Turkish law update.

In the middle of 1990s, Turkey had to adapt its national regulations related to IP rights with EU legislations in order to become a member of the Customs Union; Turkey rapidly enacted IP related decree-laws in 1995. Decree-laws were preferred since they require less procedure, can be enacted faster and, at the same time, they have the power of law. They should have been transformed into laws when the urgency was lifted, however, until today, those decree-laws were not accepted as or converted into official laws.

Decree-laws have always been a critical and problematic area in Turkish Constitutional Law. The Constitutional

Court annulled some of the provisions of the IP related Decree-laws and decided that the provisions within these annulled regulations are related to property rights. Property rights cannot be regulated via Decree Laws (as per Article 91 of the Constitution) and instead they should be regulated by a code enacted by the Turkish Parliament. Afterwards, Parliament preferred to integrate annulled provisions into the IP decree-laws rather than repealing them and bringing into force code(s) related to IP rights.

The IP Code unites trademarks, designs, patents, utility models, and geographical indications. According to the general preamble of the IP Code, it is prepared to adapt with the recent developments in EU IP law, avoid the annulment decisions rendered by the Constitutional Court, and render the relevant regulations clearer, more understandable and systematic.

The new IP Code No. 6769 consists of five chapters, 193 articles, and 6 provisional articles. Book 1 of the IP Code regulates trademarks, Book 2 regulates Geographical Indications, Book 3 regulates Designs, Book 4 Regulates Patents and Utility Models, and Book 5 regulates common provisions. Most of the provisions in the IP decree-laws were inserted into the IP Code and revisions were made in line with the Draft Law no. 1/756, which actually failed to pass with the Parliament and therefore became caduceus. The name of the Turkish Patent Institute has changed to the Turkish Patent and Trademark Office (“TPTO”) with Article 188 of the IP Code.

When we look into the amendments brought by the IP Code, first, the name of the Code is “the Industrial Property Code” and the IP Code uses the term “*industrial property*” compatibly with its name. In Article 2-(1), “Industrial Property Right” is defined as “*Trademark, geographical indication, industrial design, patent, and utility model.*” The IP Code no. 6769 abolished the IP related decree-laws, however, according to provisional Article 1 of the IP Code, provisions of the Decree-Laws will be implemented for pending trademark and design applications filed before the enforcement date of the IP Code which is January 10, 2017.

The IP Code introduces the co-existence principle for

Résumé

Uğur Aktekin, partner at Gün + Partners

Uğur has been a partners at Gün + Partners since 2000. He co-chairs Gün + Partners' IP and TMT practices, which are internationally recognized as leading practices in Turkey. Uğur specializes in advising on trademark, design, copyright, information technology, patent, unfair competition, and advertising & media law.

Within the intellectual property field he provides counsel to local and multinational companies on prosecution, enforcement and litigation strategies and represents the clients before the administrative bodies and the courts. He currently supervises Trademark and Design, IP Prosecution. He also advises on software copyright, data protection, database protection, data privacy and domain names. He was also involved in numerous anti-piracy campaigns, civil and criminal litigation and raids involving copyrights.

Uğur's practice has been recognized by various independent guides to the legal profession, including Who's Who Legal, Chambers and Partners, Legal 500, Expert Guides (Euromoney), the WTR 1000 and Best Lawyers.

Güldeniz Doğan Alkan, Managing Associate at Gün + Partners

Güldeniz specializes in intellectual property law. Her practice concentrates on trademark, design, copyright, unfair competition and domain names.

Güldeniz has been representing and advising many hotel management, food and textile companies and global technology companies in Turkey for trademark litigation and full IP portfolio matters for more than 10 years.

Güldeniz has been included in *WIPR Leaders 2017* for trademarks. She is an active member of AIPPI, PTMG, INTA and Board Member of Patent and Trademark Attorneys' Association of Turkey (PEM).



trademarks into Turkish trademark law. According to Article 5-(3) of the IP Code, the TPTO cannot *ex officio* refuse a trademark application on the ground that it is identical with or indistinguishably similar to a trademark registered, or previously applied for registration, for the same or same kind of goods or services if a notarized letter of consent from the senior trademark owner to the registration of the application is submitted to the TPTO.

Currently, the TPTO conducts ex-officio preliminary examination on a trademark application once it is filed and rejects the application in case it falls into the scope of one of the absolute grounds for refusal. It is known that such provision does not exist in many jurisdictions and in the jurisdictions where it exists; this obstacle is lifted by submitting letters of consents or co-existence agreements. The Decree-Law no. 556 did not have a similar solution and this *ex-officio* refusal of the TPTO blocked registration of many trademark applications. Therefore, the co-existence possibility in the IP Code is a welcomed amendment.

The TPTO has the right to revoke a trademark if, within a period of five-years following publication of registration, this trademark has not been put to use without justifiable reason for the registered goods or services or its use has been suspended for an uninterrupted period of five years, as per Article 26-(1) (a) of the IP Code. Yet, the enforcement date of this provision is postponed for seven years and, until that time, the right to revoke a trademark due to non-use will belong to the competent IP Courts.

The following is regulated in Article 19-(2) of the IP Code:

“[D]uring the opposition proceedings, if the applicant of the opposed

“ The TPTO cannot ex officio refuse a trademark application on the ground that it is identical with or indistinguishably similar to a trademark registered ”

trademark application requests and the ground trademark for opposition has been registered in Turkey at least five years before the application date of the opposed application, the TPTO has to demand evidence from the opponent to prove genuine use of its ground trademark in Turkey for the five years prior to the application date of the opposed application or justified reasons for non-use.”

If the opponent cannot prove genuine use of its ground trademark, the opposition will be refused: if the opponent proves genuine use only for some goods or services within its scope, the TPTO will examine the opposition only for these goods or services. This can also be used as a defense in the invalidation and infringement actions.

There is no clear provision for the “*Loss of right by remaining silent*” principle in Decree-Law no. 556. The Court of Appeals accepts that the genuine right holder may lose his rights by remaining silent for a long time, even if the counterparty is in bad faith. Yet, the timeframe of this principle was unclear and different time-periods were accepted by the Court of Appeals. It is widely agreed in Turkish trademark law that this period has to be determined by taking into consideration the conditions of each case and the “*Principle of Honesty*”. The “*Loss of right by remaining silent*” principle is regulated in Article 25-(6) of the IP Code by stating the following:

“In case a trademark owner has remained silent for the five consecutive years where he knows or should know that the later dated trademark is used, he cannot allege its trademark as an invalidation ground unless the subject trademark registration was filed in bad faith.”

Accordingly, the IP Code clearly accepts a five-year period and also excludes trademarks filed in bad faith.

Article 163 of the IP Code brings “fast destruction procedure” to the Turkish IP law. Accordingly, in case the seized counterfeit products are subject to damage or to substantial loss of their value or their preservation constitutes a serious burden, following the expert examination the Court can decide for their destruction upon the request of the prosecutor before a final decision on the merits of the case is rendered.

Other minor novelties brought by the IP Code are as follows;

- Article 4 of the IP Code changes the terminology for the signs to be registered as trademarks from “*all kinds of signs being represented graphically such as words, including personal names, figures, letters, numbers, “shape of the goods” or “the packaging thereof” and “similarly descriptive means capable of being*

published and reproduced by printing.” to “all kinds of signs such as words, including personal names, designs, colors, letters, numerals, sounds and shape of the goods or their packaging” to be in line with the terminology given in Article 3 of the Directive (EU) 2015/2436 of the European Parliament.

- The signs which contain registered geographical indications cannot be registered as a trademark as per Article 5-(i) of the IP Code.
- According to Article 6/4, trademark applications that are identical with or similar to well-known trademarks for the purposes of Article 6bis of the Paris Convention will be dismissed upon opposition for same or similar goods or services. This is also regulated as a relative invalidation ground. The protection of trademarks well-known for the purposes of the Paris Convention which was repealed by the Constitutional Court¹ has been reintegrated to Turkish Legal System.
- The opposition period has been shortened to two months from three months with Article 18.
- Trademark applications filed in bad faith are regulated as a separate ground for opposition and invalidation in Articles 6-(9) and 25-(1) of the IP Code.
- According to Article 7-(5)(c), a trademark owner cannot prevent third parties from using its trademark, especially in case of accessories, spare parts, or equivalent parts, where it is necessary to specify the purpose of use of the goods or services, provided that such usage is compliant with the principles of good faith and commercial life. The terminology for the exceptions to the scope of the rights arising from a trademark registration is now in line with the terminology given in Article 14 of the EU Directive no. 2015/2436.
- The IP Code adopted an international exhaustion principle unlike the Decree-Law No. 556 which accepts national exhaustion principle of IP rights. According to Article 152, acts

“ The IP Code introduces the co-existence principle for trademarks into Turkish trademark law ”

related with the products subject to protection of industrial property rights shall fall outside the scope of the rights, where such acts occurred after those goods had been released into the market by the right owner or with his consent. Consequently, exhaustion of IP rights has been limited to the products released to the market and it does not apply to next-generation products before they have been released to the market.

- According to Article 155 of the IP Code; a trademark, patent or industrial design right holder cannot allege its registered right as a defense in an infringement action filed by a priority right holder. Therefore, having a registration will not naturally mean that there is no infringement contrary to the precedents of the Court of Appeals.

We consider that the IP Code will change the Turkish IP Law practice by bringing complete or partial solutions to some of the fundamental problems within Turkish trademark law, and we will all see the implementation of those new provisions by the TPTO and the IP Courts.

¹ Please refer to the article “*Protection of ‘Well Known’ Trademarks Which are not Registered in Turkey Within the Context of Article 7/1-(1) of the Decree Law No. 556*” by Uğur Aktekin and Hande Hançer, Mondaq, 04.11.2010.

