

TURKEY: COURT RULES ON PROTECTION OF WELL-KNOWN TRADE MARK

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In a recent decision, the Court of Appeal (the CoA) ruled that the well-known status of the GARANTİ mark for banking services would prevent registration of the KUTUP GARANTİ PLUS mark for different services.

In June 2012, a Turkish company, with the word KUTUP as the main element of its commercial name, applied to register the mark KUTUP GARANTİ PLUS in Classes 35, 37 and 40. The opponent, a renowned company in the banking sector owning many GARANTİ trade marks in several classes, opposed the application. The opposition and the appeal filed were both partially accepted by the Turkish Patent and Trademark Office (the Office) and all services except "Services for assembling materials (in the name of third persons)" in Class 40 were removed from the list of the application KUTUP GARANTİ PLUS.

The owner of the GARANTİ mark challenged this decision by filing a cancellation action before specialised IP courts. The first instance court said the following:

- An average consumer would think that the KUTUP GARANTİ PLUS mark belongs to the opponent or is used with the authorisation of the opponent or is a serial of its well-known GARANTİ trade marks.
- It is highly possible that consumers think that the owner of the KUTUP GARANTİ PLUS trade mark and the owner of the GARANTİ trade mark are financially and/or administratively linked.
- "Services for assembling materials (in the name of third persons)" in Class 40 are not identical to the services covered by the opponent's earlier marks, but they are similar or related.
- Registration of KUTUP GARANTİ PLUS for different services would result in dilution of the opponent's GARANTİ mark – well known for banking services – and harm the distinctive character of the mark.

As a result of the reasoning above, the first instance court accepted the plaintiff's case and decided to cancel the KUTUP GARANTİ PLUS mark in its entirety.

The owner of the KUTUP GARANTİ PLUS trade mark application appealed this decision before the CoA. However, the CoA rejected the appeal and approved the first instance decision. This verdict is final and binding.

The decision of the IP court and CoA showcases a very broad interpretation when it comes to protection of well-known trade marks.

In order for the refusal ground to apply in Article 8/4 of the Decree Law regarding the protection of well-known trade marks i) the trade mark application must be identical or similar to the well-known trade mark and ii) one of the three conditions cited in the provision must be present.

We are of the opinion that the decision of the CoA can be criticised in relation to both stipulations. The first reason is because it is controversial to assert that the GARANTİ and KUTUP GARANTİ PLUS trade marks are confusingly similar. KUTUP has a distinctive meaning in Turkish which is "pole" and moreover it is the core element of the commercial name of the applicant company. The second reason is that the plaintiff failed to prove that one of the three conditions cited in the provision was available in the present case. Indeed, the owner of the KUTUP GARANTİ PLUS mark is trading white goods, whereas the owner of the GARANTİ mark operates in the banking sector. However, the IP court and CoA automatically concluded that KUTUP GARANTİ PLUS used for different services would result in dilution of the opponent's GARANTİ mark and harm the

distinctive character of the mark, without further examination of the relevant three conditions. The courts have therefore given well-known trade marks a much broader scope of protection.



Gldeniz Dođan Alkan Dilan Sila Kayalıca

Gn + Partners

Kore Őehitleri Cad. 17

Zincirlikuyu 34394

İstanbul, Turkey

Tel: + (90) (212) 354 00 00

Fax: + (90) (212) 274 20 95

gun@gun.av.tr

gun.av.tr

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