

**Banu Barbur and Serra Coral of Deris Patents & Trade Mark Agency and Deris Law Firm** say that much more clarity is needed in Turkey's assessment of well-known trade marks

# A matter for debate

**T**he increasing number of abusive trade mark registrations and counterfeit activities regarding well-known trade marks has led Turkey to develop a dual system involving the courts and the Registrar (TPI) in assessing and recognizing whether a trade mark is well known and so benefits from the greater protection of the Paris Convention (Article 6 Bis) and of the Turkish Decree Law 556 on Trade and Service marks (Article 7/1(i)).

## The Turkish Patent Institute

In 1996 the Turkish Patent Institute issued a special bulletin regarding the trade marks the TPI accepts as well known, including the trade marks recognized as well known in court cases where the TPI was cited either as defendant or as executor of the court decisions. However, this bulletin was far from being exhaustive and was not based on legal grounds, as there were no legal provisions appointing the TPI as the legal authority in relation to well-known trade marks or on the publication of an official bulletin in this regard. So it would not be wrong to say that, until recently, the only reference to well-known trade marks originated from the rich case law of the Turkish courts, especially the Supreme Court.

In May 2004, Law 544 was replaced by Law 5000, which covers the organization and duties of the TPI. Under Law 5000, the TPI is the legal authority in charge of determining the criteria for well-known trade marks and for implementing these criteria. On this basis, the TPI has started to accept and examine applications filed specifically to have a trade mark acknowledged as well known. Few of these specific applications have been evaluated so far and the TPI has applied the criteria according to which a trade mark is considered well known mainly by adopting the WIPO's recommendations on the matter. The law's implementing regulation, which would establish the requirements in terms of documents, deadlines and official taxes (and the procedure and frequency of updating the registry), has not yet been issued.

At the end of 2005, the TPI published a second bulletin regarding well-known trade marks. The TPI has evaluated well-known trade mark applications in two categories, accepting trade marks as well known either for all Nice classes or for specific classes (sectorial notoriety for the related business area). This distinction is a new practice implemented *de facto* by the TPI, which has no basis either in Turkish IP legislation or in the jurisprudence.

However, since the amendment of the Decree Law 544 appointing the TPI as the legal authority in matters of well-known marks, a draft trade mark law has been prepared and is waiting for the approval of the Turkish parliament. Article

86 of this draft refers to a dual recording system of well-known trade marks. Apparently, the TPI is already implementing this provision when examining applications for well-known trade marks.

This Article of the draft trade mark law also deals with publication of well-known trade marks, third parties' opposition against decisions of the TPI and the renewal of records. It is indicated that the well-known trade marks will be published on a yearly basis, can be opposed by third parties (the deadline has not been set) and that the validity of an administrative record of the trade mark as well known will last for five years after it is recorded, after which a new application must be filed.

## The TPI is erratic in recognising as well-known trade marks that have a reputation worldwide but do not enjoy a certain level of use and fame in Turkey

### The Turkish legislation

The current trade mark law makes reference to well-known trade marks within its Article 7/1(i) on absolute grounds of refusal, reading "trade marks, well known in the sense of the Article 6bis of the Paris Convention, which have not been authorized by their owners, shall not be registered as a trade mark," and its Article 8/4 on relative grounds for refusal. Article 8/4 of Decree Law 556 provides almost similar provisions to the EU legislation, reading: "A trade mark applied for which is identical or similar to a registered trade mark or to a trade mark application with a prior date of filing may be used for different goods and services. However, where in the case of a registered trade mark or of a trade mark application with a prior date of filing, the trade mark has a reputation and where the use without due cause of trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or repute of the registered trade mark or of the trade mark application with a prior date of filing, upon opposition by the proprietor of the prior trade mark registration or application, the trade mark applied for shall be refused even if it is to be used in respect of differing goods and services".

The new trade mark law expected to replace the Decree Law 556 and is expected to include key changes of the currently in force Decree Law with regard to the absolute and relative grounds of rejection as well.

The provision of Article 7/1(i) on absolute grounds for refusal for registration reading "trade marks, well known in the sense of the Article 6bis of the Paris Convention, which have not been authorized by their owners," is planned to be amended as "trade marks, which are identical or similar to a

well known trade mark registered or applied for registration which is also known in Turkey, and in case of use the trade mark which would take unfair advantage of the reputation of the well known trade mark, or would be detrimental to the distinctive character and to the reputation of the well known trade mark, shall be rejected”.

This provision, which is intended to replace the current provision for absolute ground of refusal requires the well known trade mark to be also known in Turkey as a separate condition and no longer makes reference to the Paris Convention.

## The specialized Court of Ankara and of Istanbul have adopted extremely different approaches in exercising their joint competence with the TPI in the matter of well-known trade marks

Although not required by the provisions of the Decree Law 556 currently in force, nor the Turkish doctrine or jurisprudence, the TPI also implements the abovementioned Article 7/1(i) as in the draft trade mark law and currently refuses to recognize as well-known trade marks reputation worldwide, which however do not enjoy a certain level of use and fame in Turkey. Some of these decisions of the TPI have been appealed and the appeals are still outstanding.

On the other hand, in the new draft law, Article 8/2 on relative grounds of refusal, provides that “the trade marks which are identical or confusingly similar to a well known in the sense of the Article 6bis of the Paris Convention, which have not been authorized by their owners, in respect of the similar or identical goods/services shall be rejected.” This provision is likely to have restricted the scope of protection of the well-known trade mark in sense of the Article 6bis of the Paris Convention to the similarity.

The provision, which corresponds to Article 8/4 of the current Decree Law 556 against dilution, is still kept in the new draft law.

It should be strongly emphasized that the above-referred draft will be subject of substantial amendments before the enactment in the view of the feedback received from the related authorities and the professionals. However, since in the meantime, the TPI seems to have established its practice by already implementing the provisions of the draft to well-known trade mark applications, it cannot be disregarded.

### The Turkish courts

Upon appointment of the TPI as the legal authority recognizing well-known trade marks, the Specialized Court of Ankara in intellectual property matters ruled that the claims

in relation to the recognition/determination of the reputation of a trade mark must first be filed with the TPI and has rejected these claims by plaintiffs on procedural grounds even in cases where the actions were filed before the amendment of Decree Law 544 (case 2004/21, December 15 2004, Beyt). The Supreme Court has upheld these decisions (case 2005/4383, May 17 2006).

More recently, the specialized courts of Ankara and Istanbul, having considered the matter more thoroughly, generally confirmed their joint competence with the Turkish Patent Institute in the matter of well-known trade marks and accepted to examine claims regarding well-known marks. But they have adopted extremely different approaches to this effect.

The most conservative approach has been to request from the plaintiff that an application for a well-known trade mark be filed before proceeding with the judgment of the case rather than directly rejecting the claim on procedural grounds (First Specialized Court of Istanbul, case 2003/582, February 9 2006, Nike and Swoosh).

However, much more daring, most of the specialized courts in Istanbul and in Ankara recognized some trade marks as well known upon the interim conclusion that a prior application to this effect before the TPI was not necessary on the grounds that the administration had already expressed their opinion on the fame of such trade marks in their opposition/objection decisions or statements to the court (Second Specialized Court of Ankara, case 2006/97, December 14 2006, Pall Mall, and Second Specialized Court of Istanbul, case 2004/217, April 11 2006, Rothmans), or in some cases, without any reference at all to filing an application before the Turkish Patent Institute (Specialized Court of Ankara, case 2003/42, April 28 2005, Milka, Milkinis, Milka Milkinis).

The Supreme Court has *ex officio* reversed one of these decisions concluding to the fame of the trade marks on the grounds that an administrative application must first be filed with the TPI (case 2005/8700, October 9 2006, Milka, Milkinis, Milka Milkinis) but this decision is not final yet. Many more appeals against the decisions of the specialized courts recognizing trade marks as well known are pending before the Supreme Court, so the existence of an established jurisprudence of the Supreme Court on the subject cannot be confirmed.

As a result, due to the lack of definition of a well-known trade mark in the current legislation, the contradictory decisions of the Turkish Courts, and the uncertain and erratic practice of the TPI, it is highly advisable to first file a specific application before the Turkish Patent Institute for the recognition of the concerned trademark as well-known, to prevail in conflicts based on the notoriety of a trade mark.