



International report - Use requirements, evidence of use and compulsory licences

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JAN 18

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The new Industrial Property Law entered into force on January 10 2017. It repealed and replaced decree-laws pertaining, among other things, to the protection of patent rights.

Decree-laws

Before the new law, decree-laws had set out clear provisions regarding use requirements, whereby patentees were obliged to use their patents within three years of its publication in the relevant bulletin. They had also set out clear provisions regarding evidence of use, whereby patentees were obliged to prove the use of a patent with an official certificate from the Patent and Trademark Office. Official certificates were issued only after an inspection of the premises where the invention was being used, and confirmed the fact that the patented invention was being implemented and the goods it produced were for sale.

However, under implementation regulations, assessments of patent use, market conditions and elements which were both under and beyond the control of the patent owner were required. Any patent owner that did not use or had suspended the use of its patent was required to file either a declaration of use with supporting evidence or a declaration explaining the legitimate reason for its non-use.



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Industrial Property Law

The new Industrial Property Law abolished the provisions on patent use requirements and evidence of use. Patent use requirements are now set out under the provision on compulsory licences, which considers that the only consequence of non-use is a compulsory licence over the patent.

According to the new law:

“A patent owner must use the patented invention. When assessing the use, market conditions and conditions under the control of the patent owner as well as outside their control are considered. At the end of three years after publication of a patent grant in the Bulletin or at the end of four years after the patent application date, whichever expires later, any interested party can request the issue of a compulsory licence on the grounds that at the date of demand for compulsory license the patented invention is not being used or no serious and real measures have been taken to make use of the patented invention or the level of current use does not satisfy domestic demand. The same applies to an uninterrupted cease of use of patent more than three years without justified reason.”

As no explicit rules regarding patent use requirements or evidence of use were set out in the new law, confusion exists over the necessity and usefulness of filing declarations to the Patent and Trademark Office which outline and evidence patent use or a legitimate reason for not using the patent.

The only provision in Turkish law regarding the consequences of not filing evidence of patent use is set out in the Regulation on the Implementation of the Industrial Property Law, which holds that:

“the declaration related that the patent is used or not used is submitted to the Institute within a certain period and then published in the [Official] Bulletin. The patents that have not been notified of their use within this period shall be published in [the Official] Bulletin.”

On the one hand, the announcement in the *Official Bulletin* informs third parties that the patent is not being used (without a legitimate reason) and thus a licence over the patent may be

requested from the patent owner. On the other hand, it has no direct consequences or benefits – it can only bring about a compulsory licence demand.

Where a third party demands a compulsory licence from a patent owner, a fixed legal procedure must be followed. Any evidence filed with the Patent and Trademark Office before this procedure commences should be considered only an indication of patent use (ie, evidence of use that is filed with the Patent and Trademark Office does not automatically prevent a third party from demanding a compulsory licence). However, a patent owner may refer to this evidence before the courts when claiming that either it uses the patent or has a legitimate reason for its non-use.

A lack of evidence neither quickens nor removes this fixed legal procedure – a third party must apply to the courts for a compulsory licence and prove that it has tried in vain to obtain a contractual licence from the patent owner under reasonable commercial terms and within a reasonable timeframe. Patent owners have one month to file a defence and any evidence to indicate that either the patent was being used or there were legitimate reasons for its non-use.

Comment

Even if no evidence of patent use has been filed with the Patent and Trademark Office, compulsory licence issues due to non-use must be brought before the courts, which should evaluate evidence and statements from the parties to determine whether the requirements for compulsory licence due to non-use have been fulfilled.

The new Industrial Property Law does not oblige patent owners to submit evidence of patent use or a statement explaining the legitimate reason for its non-use to the Patent and Trademark Office. However, these submissions may help to discourage a third party from demanding a compulsory licence by alleging non-use of the patent without a legitimate reason.

Where a patent is used three years after its official publication or four years after its application date, it may still be useful to file evidence of use when such evidence becomes available. However, as well as the prescribed terms for the patent's non-use, the compulsory licence provision seeks non-use of the

patent from the date on which the compulsory licence was requested. Therefore, it may still be a tool to discourage third parties from demanding a compulsory licence.

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