

Constitutional Court annuls Article 42/1(c) of Decree-Law 556

By *Güldeniz Doğan Alkan and Baran Güney*

WTR, 05.09.2014

Following an application for the annulment of Article 42/1(c) of [Decree-Law 556](#) on the ground of unconstitutionality, referred by the Fourth IP Court of Istanbul, the Turkish Constitutional Court has ordered the annulment of that provision (Decision 2013/147 E 2014/75 K, April 9 2014). The decision of the Constitutional Court entered into force upon its publication in the *Official Gazette* No 29070 on July 24 2014.

Article 42/1(c) of Decree-Law 556 reads as follows:

“A registered trademark shall be declared invalid by the court in the following cases:

(...)

(c) where it is in breach of Article 14 (however, bona fide use between the date of institution of the proceedings and the expiry of the five-year period shall not constitute a reason for invalidity; if use has been made on realisation that proceedings are to be instituted, the court shall not take into consideration the use made during the three months prior to the institution of the proceedings);”

The Constitutional Court reasoned that, under Article 91 of the Constitution, the fundamental rights listed in the second chapter of the Constitution cannot be ruled on via decree-laws, and stated that provisions relating to trademark rights are subject to the right to property set forth in Article 35, Chapter 2 of the Constitution. Therefore, the Constitutional Court found that Article 42/1(c) of Decree-Law 556 was contrary to Article 91 of the Constitution. It thus annulled Article 42/1(c), effective as of the date of publication of the ruling in the *Official Gazette*.

As a result of the Constitutional Court’s decision, the provision that was the basis for invalidation actions on the ground of non-use is no longer available. There was an ongoing discussion as to whether non-use of a trademark should result in the invalidation or the revocation of the mark, since both possibilities existed within the Decree-Law.

Currently, even though the Constitutional Court has cancelled the grounds for invalidation under Article 42/1(c), Article 14 is still valid. Article 14 reads as follows:

“If, within a period of five years following registration, the trademark has not been put to use without a justifiable reason or if the use has been suspended for an uninterrupted period of five years, the trademark shall be revoked.”

In Decision No 2008/2271E. 209/11685K dated November 9 2009, the Court of Appeal had held that Article 14 of the Decree-Law provides for the revocation of a trademark for non-use and that revocation is not retroactive to the application date of the trademark, as is the case for invalidation. Therefore, the Court of Appeal had clearly stated that the IP Court should have evaluated the matter as of the date of the action and that, as revocation could not be applied retroactively to the application date of the trademark, it could not result in the conclusion that the trademark had never existed.

Therefore, when the Constitutional Court annulled Article 42/1(c), which caused the abovementioned conflict between the effects of revocation and invalidation, the debate arising from the contradictory wording of Decree-Law 556 was ended. Currently, one can refer to Article 14 of the Decree-Law in actions for non-use and request the revocation of the mark.

Since the subject matter of the Constitutional Court is limited to the particular provision that is the subject of the referral, the court annulled only Article 42/1(c) and did not rule on Article 14. However, when the grounds for annulment as presented by the Constitutional Court are assessed, it is clear that the ruling poses questions as to the legitimacy of all provisions of Decree-Law 556. Therefore, it is expected that the Constitutional Court will decide on the annulment of the decrees-laws pertaining to the protection of IP rights, article by article, as the occasion arises and as the IP Courts refer the relevant articles to the Constitutional Court.