

Well-known trade marks in Turkish legal practice: Scope of protection

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I. Introduction

The scope of protection of well-known trade marks has been important yet controversial in Turkey, both in the period before the adoption of the Decree Law No. 556 Pertaining to the Protection of Trade marks of 24.06.1995 ('Decree Law No. 556') and with the Industrial Property Act No. 6769 ('the IP Act') adopted by the Turkish Parliament, published in the Official Gazette and entered into force on 19 January 2017.² The definition of well-known trade marks, determination of the well-known status and the criteria to be taken into consideration in this process are discussed in the doctrine and in practice. This discussion has moved onto another dimension with the invalidation of Article 7/1–(i) of Decree Law No. 556 by the Constitutional Court, which, however, did not end all protection granted to well-known trade marks in Turkey. The remaining provisions of Decree Law No. 556 on well-known trade marks and the relevant provisions of the Paris Convention and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), to which Turkey is a party, provide for well-known trade marks to enjoy broader protection than others. The repealed provision on the protection granted to well-known trade marks for the purposes of the Paris Convention is now reintegrated into the Turkish Legal System as a relative ground for opposition and invalidation within the IP Act.

In determining whether a trade mark is well known, the criteria published by the World Intellectual Property Organization (WIPO), the Turkish Patent and Trade mark Office ('the Office'—formerly known as the Turkish Patent Institute—TPI) and decisions of the Court of Cassation, as well as provisions of the IP Act are taken into consideration.

The IP Act was adopted by the Turkish Parliament on 22 December 2016. The enactment of the IP Act repealed Decree Law No. 556 along with other Decree Laws relating to other IP rights. However, according to

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This article

- The scope of protection of well-known trade marks was the subject of some controversy when the Decree Law No. 556 was in force and also after the entry into force of the Industrial Property Act No. 6769 on 10 January 2017. The concept of a well-known trade mark and how that status is determined has been discussed in the doctrine and in practice.
- The discussion moved into another dimension after the removal of Article 7/1–(i) of the Decree Law No. 556 by the Turkish Constitutional Court. Both provisions regarding well-known trade marks within the Industrial Property Act No. 6769 and Turkey being a party to the Paris Convention and TRIPS Agreement indicate that well-known trade marks enjoy broader protection than those which do not hold this qualification.
- Turkey is a party to international agreements. Therefore, in determining well-known status, it is essential to take into account the criteria for well-known status published by the World Intellectual Property Organization (WIPO), alongside those by the Turkish Patent and Trade Mark Office and decisions of the Court of Cassation. Protection of 'well-known trade marks within the meaning of the Paris Convention' was cancelled by the Constitutional Court but has been reintegrated into the Turkish Legal System as a relative ground for opposition and invalidation with the Industrial Property Act No. 6769. However, the concept of 'just reason' has been added as an exception to the protection of well-known trade marks.¹

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¹ The basic version of this article was first published in Turkish in the *Journal of Commercial and Intellectual Property Act of Yıldırım Beyazıt University*, 2, issue number 2016/2 and can be found at <http://www.ybu.edu.tr/hukuk/tfm/contents/files/4_%20TFM%20Dergisi%20.pdf>.

² The IP Act entered into force in the Official Gazette of Republic of Turkey dated 10 January 2017, No. 29944.

the Provisional Article 1 of the IP Act, provisions of Decree Law No. 556 shall remain in force for trade mark applications filed before the entry into force of the IP Act. The new IP Act and its provisions relating to well-known trade marks will be discussed in the final section of this article. The first part will focus on the state of well-known trade marks before the entry into force of the IP Act.

A. National legislation on trade mark law

The very first piece of legislation in Turkish law on trade marks is an act that came into force during the Ottoman Period.³ This was followed by the Regulation on Trade Marks of Manufactured Goods and Commercial Products of 1888, which was prepared based on French regulations. This was subsequently removed by the Trade mark Law No. 551 of 3 March 1965.

Following Decision No. 1/95 of the EC-Turkey Association Council, which intended to ensure sufficient and effective protection and implementation of intellectual and industrial property rights, Decree Law No. 556 was enacted very quickly to satisfy Turkey's obligations during the transition process to the Customs Union.⁴

Finally, the new IP Act repealed Decree Law No. 556 and entered into force in 2017. The IP Act addresses trade marks, designs, patents, utility models and geographical indications. It also brings new concepts into Turkish trade mark law (see further below). In addition to national legislation, international legislation also has bearing on the state of well-known trade marks.

B. International legislation on trade mark law

The first multilateral convention on intellectual property law to touch on trade mark law is the Paris Convention. The protection of well-known trade marks was accepted for the first time as a fundamental principle therein. The founding convention of WIPO, signed in Stockholm in 1967, and membership of Turkey to WIPO are also to be counted among international sources, together with TRIPS (of which Turkey has been a signatory since 1995).

3 Hayrettin Çağlar, *Marka Hukuku Genel Esaslar* (Seckin, Ankara, 2013), 3.

4 The Implementing Regulations under Decree Law No. 556 Pertaining to the Protection of Trade marks, The Announcement no 2014/2 on Classification of Goods and Services within the scope of the Trade mark Applications and Principles and Implementation Criteria in Determination of well-known trade marks are other national regulations that should be taken into consideration in Turkish Trade mark Law [Official Gazette of the Republic of Turkey, 27 June 1995].

5 Hanife Dirikkan, *Tanınmış Markaların Korunması* (Seckin, Ankara, 2003), 5.

II. The concept of well-known trade marks

A. Definition of a well-known trade mark

A trade mark is defined as a sign capable of distinguishing the goods and services of one undertaking from the goods and services of other undertakings.⁵ The definition of trade mark is not provided in the Decree Law No. 556, yet signs that are capable of being a trade mark and characteristics of such signs are addressed. This is also the case in the IP Act.

Since the concept of a well-known trade mark may be different in each case and because there is a possibility that a trade mark may not comply with such criteria,⁶ a definition of well-known trade marks is not provided in Decree Law No. 556, the IP Act, nor in other legislations. Certain elements related to the definition of well-known trade marks and their characteristics are laid down along with some criteria in Turkish law. However, there is no consistency.

The concept of a well-known trade mark was present in Turkish law before Decree Law No. 556. Article 11 of the Trade marks Act no. 551 provides that 'registration of foreign or national trade marks which are registered in Turkey and well-known around the world or country, for other goods is only possible by permission of the proprietor of the relevant well-known trade mark.'⁷

The 11th Civil Chamber of the Court of Cassation defined in a judgment the concept of well-known trade marks. This definition has been used as a reference to the criteria for the identification of well-known trade marks in several other cases. The court defined well-known trade marks as those bearing 'close tendency to a person or undertaking, guarantee, quality, powerful advertisement, extensive distribution system, association which arise as a reflex of people from the same group without paying regard to being a costumer, relative, friend, enemy and geographical border, culture or age difference.'⁸

Ünal Tekinalp states that the concept of a 'well-known trade mark' refers to:

a trade mark not only known in one or several regions of a country, but is known by the relevant domestic and foreign

6 Zeynep Üzümlü, "Tanınmış Markaların Türk Hukuku Kapsamında Tanımı ve Korunması" *Legal Fikri ve Sınai Haklar Dergisi*, c.10, s.40, 2014.

7 < https://www.tbmm.gov.tr/tutanaklar/KANUNLAR_KARARLAR/kanunbmmc048/kanunbmmc048/kanunbmmc04800551.pdf> (last accessed 13 December 2016).

8 The 11th Civil Chamber of the Court of Cassation's decision dated 13 March 1995, numbered 5647/1704. Please see: Nilüfer Kargı, *Tanınmış Marka Kavramı ve Tanınmışlık Kriterleri* (Yayınlanmış Yüksek Lisans Tezi, Marmara Üniversitesi Sosyal Bilimler Enstitüsü, İstanbul, 2006), 26.

groups, even if it is not known worldwide; and belongs to the natural or legal persons who are citizens of one of the states member to the Paris Convention or who are domiciled or who conduct industrial or commercial activities within those countries.⁹

Hamdi Yasaman states that the concept of a well-known trade mark refers to:

a trade mark which is not only reputed in one or several regions of a country, but is known by relevant national and foreign consumers even if it is not known worldwide and which belongs to natural or legal persons who are citizens of one of the states member to the Paris Convention or who are domiciled or who conduct industrial or commercial activities within those countries.¹⁰

B. Well-known trade marks for the purposes of Articles 7/1(i) and 42 of Decree Law No. 556

Articles 7/1–(i),¹¹ 8/4, 9/(c) and 42 of Decree Law No. 556 refer to ‘well-known trade marks in the meaning of Article 6bis of Paris Convention’ or ‘reputation level that a trade mark reached within society’.

Article 7/1–(i) of Decree Law No. 556 refers to Article 6bis(1) of the Paris Convention.¹² This provision states that:

- For a well-known trade mark to enjoy protection, it does not have to be registered in Turkey. If the trade mark was registered in Turkey,¹³ an application for the registration of that trade mark for the same or similar goods/services shall be rejected under Article 7/1(b) of Decree Law No. 556;
- It is sufficient that the mark is known by the general public in Turkey. Use of the mark in the Turkish market is not required;¹⁴
- The trade mark should be owned by a citizen of a country which is a signatory to the Paris

Convention and this person is entitled to not to allow the registration of the present application;

- The trade mark should be considered as known to consumers from the relevant sector

The 11th Civil Chamber of the Court of Cassation stated in its *DOLCE VITA* judgment¹⁵ that:

The words ‘Noterisch Bekanntüe Marken’ are in Article 6 bis 1 of Paris Convention, these words are used in the meaning of ‘a trade mark known by everyone/the public’, these trade marks must be considered within the scope of this provision if they are well-known in the countries, or even some of the countries which are members of Paris Convention even if they are not known worldwide, for those trade marks to benefit from Article 6bis1 of the Paris Convention, it is sufficient that the trade mark whose protection is sought is ‘known by the public’ in Turkey and it is not obligatory that the subject trade mark has been de facto used in Turkey.

The 11th Civil Chamber of the Court of Cassation stated in its judgment¹⁶ that according to Article 7/1–(i) of the Decree Law No. 556, RED BULL and RED BULL & DEVICE trade marks registered worldwide as well as in Turkey were under protection in accordance with Article 6bis(1) of the Paris Convention by virtue of Decree Law No. 556. For this reason, the Court of Cassation barred the use of the POWER BULL trade mark.

In the *COCPIT-KOKPIT* judgment, the 11th Civil Chamber of the Court of Cassation ruled that:

it is sufficient for these types of trade marks to benefit from Article 6 of the Paris Convention that the trade mark for which protection is demanded [is] (publicly known) in Turkey. Even cases where the publicly known good is not produced in Turkey nor is imported into Turkey, since it is always possible that this publicly known good be brought into our country and be sold, it is thought to be against the

9 Ünal Tekinalp, *Fikri Mülkiyet Hukuku*, 5th edn (Vedat, İstanbul, 2012), 411.

10 Hamdi Yasaman, *Tanınmış Marka Kriterleri ve İspatı Sorunu* (Prof. Dr. Hüseyin Ülgen’e Armağan (I), 1189, 2007).

11 Annulled by the decision of the Constitutional Court dated 27 May 2015, 2015/50K. and 2015/33E.

12 ‘The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trade mark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods.’ <http://www.wipo.int/treaties/en/text.jsp?file_id=288514>.

13 Grand Chamber of Civil Chambers of Court of Cassation dated 19 October 2011, No. 11-529143; ‘According to Article 6 bis 1 of Paris Convention titled “Well-known trade marks” . . . According to this article, well-known trade marks cannot be registered as a trade mark unless the permission of its owner. Countries of the Union undertakes refusal of

the application for the registration of a sample, imitation or translation of a well-known trade mark that can cause confusion; and cancellation of the said trade mark if it is already registered. Turkey which is a member of the Union regulated registration of well-known trade marks as absolute refusal ground with the Article 7/1-(i) of the Decree Law but not relative refusal ground in order to fulfill its undertaking. Accordingly, even if it is not registered in Turkey, the trade marks that are well-known in the countries of the Union shall be protected like the registered trade marks.’ See Necati Meran, *Marka Hakları ve Korunması*, 3rd edn (Ankara: Seçkin, 2014), 141.

14 Mustafa Bozkurt, *Paris Sözleşmesi Anlamında Tanınmış Markanın Korunması* (2007), Yayınlanmış Yüksek Lisans Tezi, Kırıkkale Üniversitesi Sosyal Bilimler Enstitüsü, 29.

15 The 11th Civil Chamber of the Court of Cassation, decision dated 20 November 1998, No. 1998/7711E and 1998/8024K. <www.kazanci.com>.

16 The [11th] Civil Chamber of the Court of Cassation decision dated 16 November 2000, No. 2000/3824 E. and 2000/8955 K. <www.kazanci.com>.

principles of good faith that this trade mark is put on the same kind of goods with the purpose of being associated with a well-known trade mark and gaining advantage from its reputation and it is protected.

Along the same lines, in the *ROCCO BAROCCO* judgment, the court stated that: ‘Even if the well-known trade mark registered in one of the states to the Paris Convention to which Turkey is also a party and the goods bearing this trade mark have never been brought to Turkey, they will be regarded as under protection in our country by virtue of Article 6bis of the Convention.’¹⁷

Article 42 of Decree Law No. 556 provides that a registered trade mark shall be declared invalid by the competent court if it was registered despite the presence of an absolute or relative ground for refusal. In Article 42/1(a) of the Decree Law No. 556, the circumstances laid down in Article 7 are set forth as grounds for invalidation and the article regulates that an action grounding on well-known trade marks defined in Article 7/1(i) must be filed within 5 years immediately following the date of registration.

The Ankara 3rd Civil Court of Intellectual and Industrial Property Rights requested the annulment of Article 7/1–(i) of Decree Law No. 556 before the Constitutional Court. The Constitutional Court stated in its decision that the provision concerns property rights, that such rights cannot be limited by a Decree Law and, therefore, decided for the annulment of the said provision on the grounds that it was contrary to Article 91 of the Turkish Constitution.¹⁸

As a result of this annulment, a legal gap appeared on what would happen to the protection afforded by this provision. When the IP Act came into force and abolished the Decree Law No. 556 this legal gap was filled. Indeed, according to Article 6–(4) of the IP Act, trade mark applications identical or similar with trade marks well-known within the meaning of Article 6bis of the Paris Convention shall be rejected by the Office upon opposition by the genuine rights holder on same or similar goods or services within its

scope. This is also considered a relative ground for invalidation.

However, according to Provisional Article 1 of the IP Act, provisions of Decree Law No. 556 will continue to be implemented for trade mark applications filed before the entry into force of the IP Act. There is still a legal gap for trade mark applications filed before 10 January 2017 and, therefore, it is beneficial to discuss the repercussions of the annulment of Article 7/1–(i) in brief.

Regarding the cancellation of Article 14 by the Constitutional Court and the legal gap created thereby, Hayrettin Çağlar is of the opinion that the revocation actions grounding on non-use which were not finalized before 6 January 2017 should be rejected and the revocation actions grounding on non-use could not be filed between 6 January 2017 and 10 January 2017 due the lack of a legal ground.¹⁹

Arzu Oğuz states instead that, as per Article 26/1(a) of the IP Act, non-use is stated within the conditions of revocation. Thus those trade marks which are registered five years before the entry of this IP Act and have not been used can be challenged before 2023. She also states that, if the revocation actions grounding on non-use filed before the entry of the IP Act are rejected grounding on the absence of a legal ground and finalized, it is possible to file them again in terms of IP Act.²⁰

It is the authors’ opinion that, although Article 7/1–(i) of Decree Law No. 556 has been annulled, considering directly applicable provisions of the Paris Convention and TRIPS, an invalidation action may be filed based on this provision.

Where an application is filed by a third party other than the owner of the well-known trade mark in the meaning of Article 7/1–(i) of Decree Law No. 556 or if such a trade mark is already registered, the solution to the problem lies within Article 8/4 of Decree Law No. 556. Indeed, Article 7/1–(i) and Article 8/4 substantially refer to the same ‘well-known trade mark’ concept and criteria. In many cases, a trade mark that is well-known for the purposes of Article 7/1–(i) is also well-known

17 In the same direction, in the decision on 13 March 1998, No. 1997/8665E. and 1998/1705 K. ‘VİTRA’, the [11th] Civil Chamber of the Court of Cassation stated that: ‘In pursuance of the Paris Convention signed by the Turkish Republic, the citizens of the states being party to the union formed by in question, even if they do not reside or operate in trade in another country, benefit from the rights granted to citizens of the mentioned country regard to intellectual property rights. As is adopted in the consistent practice of the High Court of Justice well-known trade mark is protected even if it is not registered in Turkey.’

18 Paragraph 1 of Article 91 of the Constitution states that ‘With the exception of martial law and states of emergency, the fundamental rights, individual rights and duties included in the first and second chapters and the political rights and duties listed in the fourth chapter of the second part of the Constitution, shall not be regulated by decrees having the force of law.’ Accordingly, it is not possible to regulate the property rights which are regulated under the second chapter of the Constitution titled

‘Individual Rights and Duties’ via Decree Laws. The contested provision regarding registration of a trade mark is related to the trade mark right which is a subject of property rights, therefore it is contrary to Article 91 of the Constitution and it should be cancelled. <<http://www.kararlar.yeni.anayasa.gov.tr/Karar/Content/b11f9733-bb4e-4061-a134-90f7ad28aa21?excludeGereke=False&wordsOnly=False>>.

19 Hayrettin Çağlar, 6769 Sayılı Sınai Mülkiyet Kanununa Göre Tesicili Markanın Kullanılmamasının Hukuki Sonuçları Ve Anayasa Mahkemesinin 556 Sayılı KHK M. 14 Hükümünü İptal Eden Kararının Etkileri, Gazi Üniversitesi Hukuk Fakültesi Dergisi C. XXI, 2017, Issue 1.

20 Arzu Oğuz, ‘Markanın Kullanmama Nedeniyle İptali Konusunun Yeni Sınai Mülkiyet Kanunu Hükümleri Çerçevesinde Değerlendirilmesi.’ *Terazi Hukuk Dergisi*, c.12, s.128, Nisan 2017. (Fikri Mülkiyet Hukuku Özel Sayısı).

for the purposes of Article 8/4. It is also known that the Office did not usually ex officio refuse trade mark applications on the grounds of Article 7/1–(i), yet refused trade mark applications on the grounds of well-known status upon opposition by rightholders. Although it is stated that Article 8/4 protects well-known trade marks for different goods and services and Article 7/1–(i) protects well-known trade marks for only same or similar goods and services, it should be acknowledged that, whereas a well-known trade mark is protected for different goods and services under Article 8/4, it should be a fortiori protected for the same or similar goods and services.

Article 35 of the Decree Law (this provision allows the refusal of trade mark applications filed in bad faith upon opposition) may be another reference point to fill the legal gap when the conditions of Article 8/4 cannot be met. Although the provision on bad faith is not clearly included among the grounds for the invalidation of a trade mark in the Decree Law, the Grand Chamber of Civil Chambers of the Court of Cassation decided that bad faith constitutes on its own grounds for invalidation.²¹

Another doctrinal opinion²² rejects the above solution and states that only Article 35 of Decree Law No. 556 may fill the legal gap that has made an appearance with the annulment of Article 7/1–(i) by the Constitutional Court. On the contrary, implementing Article 8/4 of the Decree Law to the present case by analogy could not fill that legal gap since the conditions, the scope of protection granted and more importantly, the rationale behind (ratio) Articles 7/1–(i) and 8/4 are different to each other.

C. Trade marks that are well-known for the purposes of Article 8/4 of Decree Law No. 556

Following the annulment of Article 7/1–(i) of Decree Law No. 556, well-known trade marks continue to be protected under Article 8/4 of Decree Law No. 556 where they continue to be seen as relative refusal grounds. Furthermore, well-known trade marks may constitute grounds for invalidation under Article 42 and they still have the Article 9 rights.

According to Article 7/1–(i) of Decree Law No. 556, the Office used to have the right to ex officio refuse a third-party trade mark application identical and/or indistinguishably similar to a well-known trade mark for the purposes of Article 6bis of the Paris Convention. Therefore, well-known trade marks took the position of absolute refusal on the grounds set out in this provision. Trade marks that are recognized by the public within the meaning of Article 8/4²³ are posed as relative refusal grounds (ie the Office cannot ex officio refuse third party trade mark applications based on the latter grounds).

Identical or similar versions of the trade marks known to the general public will be refused even for different goods and services upon opposition by the trade mark owner, providing that one of the conditions in Article 8/4 of Decree Law No. 556 is met. These conditions set forth in the said provision are detailed below.

1. Deriving an unfair benefit from a well-known trade mark

The customer directs their purchase motive to another product bearing a well-known trade mark used unfairly, under the impression that the relevant different product is produced and sold by the proprietor of the well-known trade mark. The consumer is mistaken about the origin of goods and prefers products of the unauthorized user over equivalent other products only because of the use of the well-known trade mark. The analysis on whether or not the use of the well-known trade mark on different goods and services causes unjust enrichment must be done on a case-by-case basis where the trade mark is well-known.²⁴

2. Damaging the reputation of well-known trade marks

Damage to the reputation of a trade mark means to include above all damage to the quality guaranteed provided by the trade mark itself, as well as its advertising value. When a trade mark is used on more than one product, the strength and scope of its influence will diminish. The low quality of the goods on which the trade mark is used causes detriment to the reputation of the well-known trade mark.

21 Decision on 16 July 2008, 2008/11-501E. and 2008/507K.

22 Yasemin Kenaroğlu, *556 Sayılı KHK Madde 7/(i) Hükümünün Anayasa Mahkemesi'nce İpSüreci ve Olası Sonuçları*, (Ankara Barosu Fikri Mülkiyet ve Rekabet Hukuku Dergisi, Year: 16, Volume: 17, 2015/1, 2015).

23 The claimed trade mark which is identical to or similar with a registered trade mark or a trade mark with an earlier date of application may be used for different goods and services. However, where in the case of a registered trade mark or of a trade mark which has an earlier date of application for registration 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 with an earlier application date; upon opposition by the proprietor of the earlier trade mark, the trade mark applied for shall not be registered even to be used for goods and services which are not similar to those for which the earlier trade mark is registered.

24 Özge Erdem, *Tamınmış Markanın Farklı Mal veya Hizmetler Bakımından Korunması* (Yayınlanmış Yüksek Lisans Tezi, İstanbul Üniversitesi Sosyal Bilimler Enstitüsü, 2005), 49.

The 11th Civil Chamber of the Court of Cassation stated that, in the event that the trade mark FORD is used by another firm on spare parts, even the possibility that these spare parts are of lower quality than their originals would have a negative effect on consumers. It was considered possible that this would reduce the trust in, and the demand for the trade mark and it would be detrimental to the reputation of the trade mark.²⁵

3. Damaging the distinctive character of well-known trade marks

The phrase distinctive character refers to the identification of the trade mark with the product that it represents. The power of the trade mark is to remind consumers of the product and direct them thereto. If a trade mark is used by another party on various different goods, the customers may be confused about the product range of that trade mark. This way, the trade mark will no longer be the symbol of quality and prestige for that specific product.

Using a well-known trade mark on different goods and services is not automatically detrimental to the distinctive character of the trade mark. However, if the trade mark is originally only for a certain class of goods, using this trade mark for different goods will not be detrimental to its distinctive character. In one of its decisions, the German Federal Court ruled that even though the word CAMEL is well-known as a cigarette trade mark with 85.3% of the general public, the fact that the same word is used in a business name of a travel company in Turkey, CAMEL TOURS, would not be detrimental to the distinctive character of the trade mark. The word CAMEL is considered to be a sign that represents the Middle East in that particular trade name and, therefore, it would not be seen to be related to the cigarette trade mark.²⁶

As stated in several judgments of the Court of Cassation, the main principle accepted in Turkey is that a trade mark that is well-known will not automatically constitute an obstacle to the registration thereof for different goods and services. In each case, the conditions set forth in Article 8/4 of Decree Law No. 556 shall be considered and a decision be rendered accordingly, wherein the conditions are whether the well-known status of the trade mark would cause unjust enrichment, whether the distinctive character of the trade mark would be harmed and whether the reputation of the trade mark would be harmed.

The matter of dispute that resulted in the decision 2004/553E, 2005/44K of the Ankara 1st Civil Court of Intellectual and Industrial Property Rights, consisted of an action for the invalidation of the MERIDIEN BİLİŞİM & DEVICE trade mark on the grounds of the well-known status of the LE MERIDIEN trade marks. At first instance it was decided in favour of the claimant. However, the 11th Civil Chamber of the Court of Cassation reversed and stated that:

the claimant's trade marks which were registered in Turkey are well-known for the purposes of Article 8/4 of the Decree Law No. 556. However, the Court has not evaluated whether the conditions set forth in the given provision and constituting an obstacle for registration are likely to be fulfilled in case of registration of the trade marks which are similar to the plaintiff's trade marks for different services. Similarly, the conditions set out in Article 16/3 of TRIPS were not evaluated. In other words, if the respective application is accepted and registered for different services as a trade mark; without evaluating the conditions that are obstacles to registration, such as whether or not this will indicate a connection with the well-known trade mark owner, whether or not there is possibility for the plaintiff's interest is damaged, whether or not it would take unfair advantage of, or be detrimental to the distinctive character or reputation of the well-known trade mark, the acceptance of the case with the reasoning that since the plaintiff's trade marks are well-known, the dismissal of the defendant's application for different services is not found appropriate due to inadequate examination and evaluation.²⁷

In another conflict which is similar to the above, the Istanbul 3rd Civil Court of Intellectual and Industrial Property Rights decided for the invalidation of the NIVA trade mark for the goods that were not covered by the ground trade marks NIVEA, reasoning that NIVEA trade marks are well-known in its decision dated 17 April 2014, no. 2013/23E. and 2014/93K. The first instance court's decision was approved by the Court of Cassation's judgment.²⁸ A revision of the decision was requested at a later date and the Court of Cassation decided for the revocation of its upholding judgment in its judgment of review due to inadequate examination by the first instance court. Accordingly, the Istanbul 3rd Civil Court of Intellectual and Industrial Property Rights' decision dated 17 April 2014 and numbered 2013/23E. and 2014/93K. has not been upheld by the Court of Cassation and the superior court stated in its final decision that:

25 The [11th] Civil Chamber of the Court of Cassation decision, dated 21 January 1982 and numbered 5331/6265, Please see Kargı (n 8), 40.

26 Sabih Arkan, *Marka Hukuku I* (Ankara, AÜHF, 1997), footnote 107, 163.

27 The [11th] Civil Chamber of the Court of Cassation decision dated 18 June 2007, No. 2007/5927E. and 2007/9302K. <www.kazanci.com>.

28 The [11th] Civil Chambers of the Court of Cassation decision dated 17 April 2014, No. 2014/10853E. and 2014/17701K. <www.kazanci.com>.

[...] In each case, the conditions set forth in Article 8/4 of the Decree Law No. 556; the use of trade mark applied for would take unfair advantage of, or be detrimental to the distinctive character or reputation of the registered trade mark should be evaluated in order for the plaintiff's well-known trade mark(s) to be an obstacle to registration in different classes.²⁹

After the reversal of the decision, the file returned to the first instance court and was recorded under file number 2015/205E. Following the initial examination; the Istanbul 3rd Civil Court of Intellectual and Industrial Property Rights insisted on its previous decision and stated in the judgment of 12 November 2015 no. 2015/205 E., 2015/215K. that:

it is not of dispute that the trade mark NIVEA is well-known [...] even though the defendant has unlimited freedom of choice, they deliberately chose the trade mark NIVA which is almost identical with the trade mark NIVEA for the relevant goods, such choice of the defendant shows bad faith in the making of the application [...] bad faith on the defendant's part apparent in this choice brings in the possibility of taking unfair advantage of, or being detrimental to, the distinctive character or the reputation of the trade mark NIVEA.

In another case, LACOSTE filed a cancellation action and requested the dismissal of the trade mark application for CROCODILE filed in the name of a Turkish company for classes 11, 20, 21 and 24 on grounds of the likelihood of confusion between the trade mark application CROCODILE and their famous trade mark



as well as the risk of damage to the well-known status and the reputation of their trade marks.

The Ankara 3rd Civil Court of Intellectual and Industrial Property Rights heard the matter and dismissed the cancellation action. Although there was similarity between the parties' trade marks—as one is the word and the other is the device that defines the same concept, that is, goods in classes 11, 20 and 21 covered by the contested trade mark application were not identical or similar to goods covered by LACOSTE's trade marks. Thus, there would be no likelihood of confusion between these trade marks. The court also found that the well-known status of LACOSTE's trade marks would not affect this either.

The 11th Civil Chamber of the Court of Cassation overturned the decision, finding that LACOSTE's trade

marks posed as grounds for the opposition were well-known trade marks and the application for CROCODILE—even in different classes than LACOSTE's trade marks—can derive unfair advantage from or damage the distinctiveness or harm the well-known status of LACOSTE's trade marks. According to Turkish procedural law, if a decision of a court of first instance is found inappropriate and reversed by the Court of Cassation, the file is sent back to the same initial court for re-examination in light of the reversal decision.

As a result, when the file was returned, the Ankara 3rd Civil Court of Intellectual and Industrial Property Rights decided to insist on its initial decision and dismissed LACOSTE's action once again. When first instance courts issue an insistence decision,³⁰ the matter will be evaluated by the Grand Chamber of the Civil Chambers of the Court of Cassation (hereafter Grand Chamber), if appealed. Therefore, the resistance of the Ankara 3rd Civil Court of Intellectual and Industrial Property Rights had the file sent to the Grand Chamber upon appeal of the plaintiff. The Grand Chamber reviewed the resistance decision of the Ankara 3rd Civil Court of Intellectual and Industrial Property Rights and decided to reverse the decision in parallel with the decision of the 11th Civil Chamber of the Court of Cassation. The defendant company then applied for a review of the reversal decision given by the Grand Chamber. As a result of its second examination of the file, the Grand Chamber decided to reverse its own decision that had itself reversed the decision of the Ankara 3rd Civil Court of Intellectual and Industrial Property Rights. In turn, this time the Grand Chamber upheld the insistence decision.

In its last decision, the Grand Chamber held that:

there is a weak similarity between the parties' trade marks and [that] the goods covered by the parties' trade marks are not same or similar [...] even though a trade mark is well-known, it is not possible to assume that a trade mark which seeks registration for different goods would derive unfair benefit from the good image and reputation of that well-known trade mark automatically/directly; because otherwise, the well-known trade mark would be conferred more and wider protection than it legally deserves.

As the Grand Chamber opined, registration of the defendant's trade mark was sought for some goods in the construction sector and kitchenware goods. These goods were not similar or related to the clothing sector in which LACOSTE's trade marks were well-known.

29 The [11th] Civil Chambers of the Court of Cassation decision dated 18 June 2015, No. 2015/1633 E. and 2015/8463 K. <www.kazanci.com>.

30 As per Article 373 of Code of Civil Procedure after the reversal decision of the Court of Cassation, the first instance court is entitled to insist on

its decision in which the Court of Cassation reversed. In this regard, if a party appeals the decision of first instance court again, the Grand Chamber is competent to hear the file.

Therefore, the Grand Chamber found that the defendant's trade mark would not derive unfair benefit from the well-known status of LACOSTE's trade mark, would not harm its reputation, or damage its distinctive character.

The decisions discussed above reveal that the Court of Cassation does not automatically apply Article 8/4 for well-known trade marks and requires examination of the conditions set out in this provision, just as is required by its wording. The Court of Cassation ostensibly has established precedent on this matter, making clear that these conditions must be sought, examined and discussed. Within this framework, the trade mark owner may claim and prove that an application would *derive unfair advantage of, or be detrimental to the distinctive character or damage the reputation of their well-known trade marks* for a well-known trade mark to be protected in reference to different goods/services. It is a court's duty to investigate and evaluate whether these conditions are met in light of the experts' assessments.

D. Well-known trade marks for the purposes of Article 9/1–(c) of Decree Law No. 556

Article 9 of Decree Law No. 556 regulates the scope of protection stemming from the registration of a trade mark and the rights afforded to the trade mark proprietor. A trade mark that is well-known within the meaning of Article 9/1–(c)³¹ is similar to the trade mark that is well-known for the purposes of Article 8/4. However, Article 9 employs the expression of 'the highly well-known status in Turkey'.

There are some conditions for well-known trade marks to be protected under Article 9/1–(c) of the Decree Law:

- It is well-known trade mark registered in Turkey (*even if the goods/services bearing the trade mark in*

question are different to the goods/services for which the well-known trade mark has been registered),

- Registration of a third-party sign is likely to derive unfair advantage from or, be detrimental to the reputation of or, the distinctive character of the registered well-known trade mark due to the highly well-known status in Turkey.

The 11th Civil Chamber of the Court of Cassation stated in a decision that:

The well-known trade mark of the plaintiff is registered by the defendant to be used on different goods. It is beyond dispute that the trade mark of the defendant will take unfair advantage of the reputation created by the plaintiff's trade mark among public. Hence, the protection provided under Article 9/1(c) of the Decree Law No. 556 should be implemented.³²

The protection of well-known trade marks in relation to goods and services for which they are not registered has been limited since the end of the 2000s and, accordingly, no protection is automatically granted.³³ This has been confirmed by many decisions of the Court of Cassation, like those discussed above. The concept of 'dilution' is gaining importance. Trade mark dilution occurs when the level of association by consumers with a well-known trade mark and the power of a trade mark to designate the origin of authentic goods and services as a result of their association with a well-known trade mark diminish when consumers purchase goods and services originally irrelevant to the well-known trade mark.³⁴

A well-known and highly distinctive trade mark does not automatically result in protection with regards to goods and services in different classes. For such protection to be granted, one of the conditions stipulated in Articles 8/4 and 9/1–(c) of Decree Law No. 556 must

31 Rights arising from a trade mark registration exclusively belong to the proprietor of the relevant trade mark. The proprietor of a trade mark may request prevention of the following acts: . . . Use of any sign which is not identical with or similar to the registered trade mark, which does not fall into the scope of the registered trade mark, and/or which does not cover similar goods and/or services, yet which is likely to derive unfair benefits from or be detrimental to the reputation of a registered trade mark due to the highly well-known status reached in Turkey.

32 The [11th] Civil Chambers of the Court of Cassation decision dated 03.07.2000, numbered 5331/6265. Please see Kargı (n 8), 44.

33 Uğur Çolak, *Tamınmış Markaların Farklı Sınıflardaki Mal ve Hizmetler Yönünden Korunması* (Fikri Mülkiyet Hukuku Yıllığı, 2013), 275.

34 Duygu Çampınarı, *Avrupa Birliği ve Türk Hukuku Açısından Markanın Sulandırılmasının Kavramının İncelenmesi*, 2014, Türk Patent Enstitüsü Markalar Dairesi Başkanlığı, 53, also see the cited case; The Grand Chamber of Civil Chambers of the Court of Cassation decision dated 8 April 2015, numbered 2013/11-1885E.and 2015/1161K.: 'Use of a trade mark which is identical or similar to a well-known trade mark upon different goods and services could be detrimental of the reputation of the well-known trade mark in some cases. Even though it is not used on the same kind goods or services, it takes unfair benefit of guarantee (trust

and/or advertisement power of the well-known trade mark and harms to reputation of the well-known trade mark. Using the trade mark on more than one different goods may cause decrease in its power and the scope of its influence. This is called dilution of a trade mark. The well-known trade mark indicates the origin of a good or service in the eyes of a customer. The advertisement power and trust that the trade mark created among consumers are the most important factors in selling that product. In most of the cases, the firm produces the well-known trade mark is identified with the other firm in the eyes of the customers or receivers. In case a well-known trade mark is used on different goods, the consumers think that the firm which they know and trust also makes production and marketing on different fields. This mental link can distract the attention of the customers who focused on the trade mark. If the goods and services on which the trade mark is used have lower quality than the well-known trade mark, this could be harmful for the well-known trade marks as well. In this way, the trade mark may totally lose its reputation or at least it may suffer from erosion. It is also possible for the well-known trade mark that it is used on different goods by means it is harmful to the reputation of the main trade mark or it causes for the consumers to become distanced from that trade mark.' <www.kazanci.com> (last accessed 26 December 2016).

exist in the case or the possibility of existence in the future should be proved. There is no necessity for all the conditions to be simultaneously met.³⁵ Until recently, the conditions in the Decree Law have been evaluated as a whole, rather than individually.³⁶ However, in the 2014 DERBYTECH judgment,³⁷ the Grand Chamber of the Court of Cassation held that:

In the evaluation made by the Court, it was recognised that the plaintiff's 'derby' trade marks were well-known for the purposes of Article 8/4 of the Decree Law especially for 'razor blades', accordingly the goods 'saw, sanding machine, cutting machine, powered lawn-mover' in class 07/01 and 'machines and tools for agriculture, agriculture tools pulled by machine or engine, agriculture machines' in class 07/07 could be associated with the razor blades considering the specifications of those goods, such as cutting or scything. Due to this fact, there is a possibility that registration would take unfair advantage of, or be detrimental to the distinctive character or to the reputation of the well-known trade mark as per the referred provision of the Decree Law. The Court partially reversed the REEB's decision based on these grounds. However, since the goods on which the defendant company's application would be used and razor blades within the scope of the plaintiff's registrations were totally different goods and satisfy completely different needs, it was not possible to form an association between them. In the presence of the fact that it is not possible for the average consumer of the goods within the scope of the defendant company's trade mark to associate these goods with the plaintiff's razor blades or the plaintiff company while purchasing or using these goods, it was understood that the conditions set forth in Article 8/4 of the Decree Law No. 556 as an obstacle to registration; taking unfair advantage of, or being detrimental to the distinctive character or to the reputation of the registered trade mark were not met in the hereby dispute.

The court also explained the conditions for a well-known trade mark to constitute an obstacle to registration thereof for different goods and services.

In light of the discussion above, there follows an outline of the determination of the well-known status of a trade mark and the criteria taken into consideration.

III. Determination of the well-known status of a trade mark in Turkish law

On account that Turkey is a signatory party to TRIPS and a member of WIPO, those agreements and memberships should be taken into consideration while

determining the well-known status of a trade mark. It is regulated in Article 90 of the Turkish Constitution that international agreements ratified have the force of law and no appeal to the Constitutional Court may be made with regard to these agreements on the grounds that they are unconstitutional.

A. Well-known trade mark registry before the Office

In the Special Edition of the Official Trade Mark Bulletin, published by the Office only once and never updated again, the trade marks that are accepted as well-known within the scope of Article 6bis1 of the Paris Convention of 1883 and Article 7/1–(b) of Decree Law No. 556 were published.³⁸ Some of the trade marks in this list have acquired well-known status upon application by trade mark holders to the Office with evidence proving their reputation. Some of them have acquired well-known status by decisions rendered upon examination of an opposition filed against a trade mark application as per Article 8 of the Decree Law. Trade marks, such as BEKO, BMW, ARÇELİK, CAMEL, COCA-COLA, GRUNDIG, KODAK, LACOSTE, MERCEDES and MARLBORO were published in the said list.

Following the publication of the Special Edition of the Official Trade Mark Bulletin, the Office began acknowledging applications for well-known trade marks and even created a list where well-known trade marks could be searched online. Within this framework, trade mark owners have the right to apply to the Office for the acceptance of their trade marks as well-known and recording them in special registry of well-known trade marks. After the preparation of a petition matching the criteria determined by the Office and the submission of the requested documents, the Office examines the application and, if this is successful, includes such trade mark in its special registry. If the application is rejected, it is possible to appeal before the Re-Examination and Evaluation Board—the highest administrative body with the Office. If the application is rejected for a second time, a court action may be brought before the Ankara Civil Courts of Intellectual and Industrial Property Rights within two months, with the request of cancellation of the decision of the Office and for the determination of the trade mark as well-known.

As mentioned, there is a list for well-known trade marks at the Office. Scholarly literature is generally

35 Çolak (n 34), 288.

36 Ibid, 289.

37 <www.kazanci.com> (last accessed: 26 December 2016).

38 Samiye Eyüboğlu, *Tanınmış Marka*, I (2001/2) (Ankara, Barosu Fikri Mülkiyet ve Rekabet Hukuku Dergisi, 2001), 112.

critical of this, arguing that; the concept of a “well-known trade mark” is not permanent and that it is possible for a trade mark to lose its reputation or become well-known over time; it may be deceiving if a trade mark is registered as well-known; a decision of the Office or court determining a trade mark as well-known should be valid only as long as the trade mark preserves its reputation; decisions of this kind should not be accepted as conclusive of well-known status, and the well-known status of a trade mark in the lists of the Office must be regarded as a rebuttable presumption.³⁹

B. Benefits of recording well-known trade marks

In order to get protection as well-known, it must be explained and proved that the trade mark in question is well-known in its relevant business sector area in any one of the signatories to the Paris Convention as well as in Turkey. It is preferable to have among the evidence the promotional work undertaken for the trade mark and sales volumes in the Turkish market.

The decision rendered on well-known status by the Office is only binding with the Office itself. However, the Office’s decisions with respect to a trade mark’s well-known status are taken into serious consideration by Turkish courts as solid evidence. The protection resulting from the recording of well-known status seems to be perpetual since no expiration period is foreseen in Decree Law No. 556. The very listing of a well-known trade mark provides broader protection before the Office. Further, in applying the likelihood of confusion test with respect to similarity with a well-known trade mark, well-known trade marks should be treated more favourably. Above all, the recording of well-known status also provides a practical advantage to the trade mark owner in future oppositions before the Office, since the trade mark owner will not need to submit evidence to prove the well-known status of a trade mark that is already listed as well-known by the Office.

Besides, in a criminal case, a well-known trade mark was used on counterfeit lighters. The owner of the well-known trade mark had not registered its trademark for lighters and due to this reason the expert appointed in the case stated that the owner’s trade mark was not recorded as well-known by the Office and, therefore, did not call for a finding of infringement for the relevant goods, whereas in the very same case, the expert found infringement of another well-known trade mark that was duly listed wherein the infringement found also

covered goods and services that the well-known trade mark was not listed for, with an extension of protection to all goods and services.

Lastly, although not expressly stated in any one of the Office’s decisions, it is customary that the Office does not take into consideration the well-known status of a trade mark even if widely known and obvious unless it is expressly listed as well-known by the Office itself.

C. Demonstration of well-known status and the point of view of the Court of Cassation

A trade mark owner claiming that his/her trade mark is well-known must submit relevant documents to the Office and courts. The link between the concept of well-known status and the making of a preliminary question thereof is worth mentioning. A preliminary question in a court action is one that must be answered in order for the proceedings to continue. In an invalidation action filed under Article 8/4, a court must first answer the preliminary question of whether the trade mark that is the subject of the action is well-known before moving onto the merits of the case and seeing whether the conditions set forth in Article 8/4 are met. The 11th Civil Chamber of the Court of Cassation ruled that ‘the court must first and foremost evaluate whether the plaintiff’s trade mark is well-known by collecting the relevant data, an acknowledgement of well-known status, this proves bad faith by the defendant in their registration.’⁴⁰

The Court of Cassation’s view is that a declaratory action for the determination of well-known status cannot be filed directly before courts, and that an application must first be filed before the Office. The 11th Civil Chamber of the Court of Cassation held in another case that:

considering determination and registration of the well-known status of a trade mark will have outcomes such as preventing possible infringements in the future and trade mark registrations aiming to take benefit from the reputation and dignity of the trade mark, the rights holder has a legal interest in such determination. Accordingly, even though the trade mark owner may request the determination of their trade mark as well-known and registration of their trade mark as well-known in the Office’s registry, in the present case, without an application to list the trade mark as well-known, the determination of the trade mark as well-known is requested directly from the Court. However, aiming to achieve the same ends without applying to the Office, the only authorised institution in Turkey to register trade marks, for the listing of the trade mark as

39 Hamdi Yasaman (n 10), 1196.

40 The [11th] Civil Chamber of the Court of Cassation decision dated 26 February 2004, numbered 2003/7150 E. and 2004/1792 K. <www.kazanci.com> (last accessed 26 December 2016).

well-known, goes against the system in place for the registration of trade marks. A claimant who files an action against the Office before applying to the institution for well-known status and waiting for the Office's examination and conclusion of the registration proceedings accordingly has no standing.⁴¹

An expert examination should be conducted for the determination of the well-known status.⁴² Article 187 of the Code of Civil Procedure (CCP) no. 6100 currently in force states that evidence has to be submitted to prove disputed facts. Facts known by all are not disputed. Hanife Dirikkan states that the well-known status of a trade mark cannot be taken for granted for the purposes of Article 238 of the Code of Civil Procedure no. 1086 (Article 187 of the CCP no. 6100).⁴³ Since a trade mark cannot be ruled to be well-known on the face of pre-determined criteria, whether a trade mark is well-known must be determined on a case-by-case basis.⁴⁴ The 11th Civil Chamber of the Court of Cassation adopted the same stance in one of its decisions.⁴⁵ However, scholarly literature⁴⁶ submits that, since it is not possible to argue against the well-known status of trade marks that are well-recognized and that address a wide group of consumers, bearing in mind the principle of procedural economy, Article 187 of the CCP should be applied to trade marks such as COCA-COLA, SONY, MERCEDES, ARÇELİK and ÜLKER.

1. Criteria in determining well-known status

In terms of criteria in determining well-known trade marks, Articles 16/2 and 16/3 of TRIPS regulate the

rights conferred to a trade mark owner with regards to the protection of well-known trade marks.⁴⁷ TRIPS has extended the protection of well-known trade marks to include service trade marks and different goods and services.⁴⁸

a. The WIPO criteria. The WIPO Committee of Experts on Well-Known Marks formed within the organizational body of WIPO in 1995 published its work with regards to the determination of well-known status by means of a Joint Recommendation.⁴⁹ This sets forth the criteria to be taken into account when determining the well-known status of a trade mark. They include:

- The degree of knowledge or recognition of the mark in the relevant sector area in the eyes of the public
- The duration, extent and relevant geographical area of any use of the mark
- The duration, extent and relevant geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services covered by the mark
- The duration and geographical area of any registrations, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark
- The records of successful enforcement of rights on the mark, particularly the extent to which the mark

41 The [11th] Civil Chamber of the Court of Cassation decision dated 25 January 2007, numbered 2005/13979 E. and 2007/827 K., <www.kazanci.com> (last accessed 26 December 2016). For similar decisions, please see the [11th] Civil Chamber of the Court of Cassation decision dated 7 November 2006, numbered 2005/7954E. and 2006/11333K.; decision dated 9 October 2006, numbered 2005/8700E. and 2006/9899K.; decision dated 6 February 2006, numbered 2005/1137E. and 2006/948K.; decision dated 4 October 2004, numbered 2004/492E. and 2004/9168K.

42 The [11th] Civil Chamber of the Court of Cassation decision dated 24 March 2003, numbered 2002/10575E. and 2003/2752K. 'The plaintiff's claim is grounded on the well-known status inside and outside the country, and the determination of the well-known status cannot be based on the Judge's personal knowledge per se. Accordingly, the Court should decide in the light of the above explained principles and characteristics of the concrete case, also ordering the documents related the plaintiff's application with regards to well-known status filed before the defendant Institute, and collect all the evidence of the plaintiff and the outcomes of the expert examination.' <www.kazanci.com> (last accessed 21 December 2016).

43 The subject of the proof is the disputed facts that the parties could not agree upon and may be influential to the solution of the merits of the case, and evidence should be submitted in order to prove those facts. The facts known by everyone and the facts acknowledged by everyone are not considered as disputed.

44 Hanife Dirikkan (n 5), 134.

45 The [11th] Civil Chamber of the Court of Cassation decision dated 13 June 2000, numbered 2000/2154E. and 2000/5469K. 'The Court decided for the refusal of the action on the grounds that the worldwide reputation of this trade mark is known by everyone and there is no need to

prove this fact. Since the third-party firm which opposed to the registration claims that it is the owner of a trade mark known worldwide but did not submit any document related to this claim, the attorney of the plaintiff should be allowed to file a court action against that firm, in case the court action is filed, it should be combined with the hereby action and a decision should be rendered whether the trade mark belonging to the mentioned firm is a well-known trade mark worldwide or not. Accordingly, the decision is deemed inappropriate since the Court refers to Article 238 of CCP which should not be applied to hereby dispute and conducted inadequate examination and evaluation.' <www.kazanci.com> (last accessed 21 December 2016).

46 Hamdi Yasaman (n 10), 1199.

47 '(2) Article 6bis of the Paris Convention (1967) shall apply, mutatis mutandis, to services. In determining whether a trade mark is well-known, Members shall take account of the knowledge of the trade mark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trade mark.

(3) Article 6bis of the Paris Convention (1967) shall apply, mutatis mutandis, to goods or services which are not similar to those in respect of which a trade mark is registered, provided that use of that trade mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trade mark and provided that the interests of the owner of the registered trade mark are likely to be damaged by such use.'

48 Nilüfer Kargı (n 8), 76.

49 Available at: <http://www.wipo.int/edocs/pubdocs/en/marks/833/pub833.pdf>.

has been recognized as well known by competent authorities

- The value associated with the mark

There is no obligation for the registration or use of the trade mark in the country in which protection is sought for the trade mark to be protected as a well-known mark. If that trade mark is 'known' only, whether it will be accepted as a well-known trade mark will be at the discretion of the relevant signatory state.

The criteria listed above can be found in the Joint Recommendation published by WIPO in 1999, as well as in many of the domestic legislations worldwide. It is also expressed therein that it is sufficient for a trade mark to be recognized in the relevant sector for the trade mark to be acknowledged as well-known. It is of the utmost importance that in determining whether a trade mark is well-known, the reference target group is *the relevant sector of the public* in accordance with the use of the phrase 'the degree of knowledge or recognition of the mark in the relevant sector of the public' in Article 1/ (b)-1 of the Joint Recommendation by WIPO.

What should be understood from the phrase 'relevant sector of the public' in Article 1/(b)/1 of the Joint Recommendation of WIPO is explained in Article 2 of the same Joint Recommendation. This includes: (i) actual and/or potential consumers of the type of goods and/or services to which the mark applies; (ii) persons involved in channels of distribution of the type of goods and/or services to which the mark applies; (iii) business circles dealing with the type of goods and/or services to which the mark applies; (iv) and it is considered sufficient for a trade mark to be recognized in the relevant sector to be accepted as a 'well-known' trade mark. According to Article 2/2-(a) and (b) of the WIPO Joint Recommendation, it is sufficient for a trade mark to be recognized as belonging to one of the above listed groups to be acknowledged as well-known.

b. Criteria of the Office. With Article 13(d) of the Code of Foundation and Duties of the Office No. 5000 coming into force upon publication in the Official Gazette,⁵⁰ the Office is entrusted with the duty to determine and implement the rules with regards to the level to which the trade mark is well-known.

Within this framework, the Office published 'The Bulletin on the Determination of the Reputation Level of the Trade marks and Its Implementation' in 2006.

The Office evaluates the well-known status of trade marks according to a total of 18 criteria that level the reputation of the trade mark in the eyes of the public, whether it is known by everyone and the general level to which the trade mark is well-known even beyond actual and potential consumers.

According to Article 13/(d) of the Law No. 5000 on the Establishment and Duties of the Office, the Trade Mark Department Directorate of the Office is also entitled to determine the principles of recognition of trade marks and to implement these principles in accordance with the provisions of the relevant legislation. According to Articles 47 and 48 of Decree Law No. 556, those who have incurred damages arising from the Office's decisions may appeal such decisions to the Office. Likewise, decisions of the Office related to well-known status may be appealed. The Trade marks Department Directorate evaluates recognition and awareness amongst the public of a trade mark and the general recognition which a trade mark has achieved beyond its potential and actual consumers based on the below criteria:

- Registration and usage period of the trade mark (detailed information on the history of the trade mark)
- Geographical area and scope that the usage and the registration of the trade mark have affected (domestic and overseas registrations of the trade mark)
- Market coverage, market share and annual sales amounts of the goods and/or services offered under the trade mark
- Features of the promotional activities (promotional activities conducted in Turkey in particular): duration, continuity, geographical coverage, scope, costs and characteristics of the relevant promotional activity (TV commercial, local newspaper advertisement, promotion which aims at only the families with children, etc.)
- Activities which are not directly promotional, but which contribute to the promotion of the trade mark (such publications as newspaper, magazines and TV; display of our client's products in various fairs, etc.)
- Court decisions showing the well-known status of the trade mark and trade mark owner's other efforts to protect their trade mark (apart from the decision recognizing well-known status, other court decisions, pending actions, actions filed for unfair competition, oppositions, etc.)

50 Official Gazette of the Republic of Turkey, 19 November 2003, Issue No. 25294.

- Originality and distinctiveness of the trade mark
- If applicable, the results of the public opinion surveys with respect to the level of well-known status of the trade mark
- Characteristics of the trade mark owner (the size if a legal person/entity, number of employees, capital, turnover, profit, domestic and international distribution channels, branches, franchisees, service network, paid tax, export volumes, market share, etc.)
- Is the trade mark identified with the product or service on which the trade mark is used? Does the trade mark automatically associate with a certain product when seen as a word or a figure? Is the trade mark an indication of quality with respect to the product or the service on which the trade mark is used?
- Are there any certifications or awards by the product bearing the trade mark or by the firm that is the owner of the trade mark? (certificates or awards such as quality certificates similar to TSE, TSEK, ISO, a quality award, an environment award, a blue flag, etc.)
- Distribution channels of the products bearing the trade mark (other than distribution channels belonging to the trade mark owner), and export and import possibilities of the trade mark
- If a trade mark has been acquired and valuation thereof has been made, the monetary value of the trade mark
- The portfolio of goods and/or services covered by the trade mark registrations
- If the trade mark is well-known by the public and for how long such level of recognition has been maintained
- Whether there are any infringing activities directed towards the well-known character of the trade mark arising from the well-known status of the trade mark

- Whether the trade mark faces a risk of infringement due to the features of the goods or services on which the trade mark is used (a car trade mark or a gum trade mark) or the characteristics of the relevant actual or potential consumer group (eg a product trade mark addressed to doctors or kids, etc.)
- Any document proving the above-mentioned points or the well-known status of a trade mark

According to TRIPS, the signatory States must take into consideration the reputation of the trade mark in the eyes of the relevant public due to promotion of the trade mark. Well-known status will then be sought in the relevant sector area. Therefore, in order to discuss the reputation of a trade mark, it is not necessary for the trade mark to be known to the majority of the public, but will be sufficient that the products bearing the mark in question have a certain reputation among its target group.⁵¹ The Court of Cassation decided in line with this principle in its DOLCE VITA judgment discussed above. On the other hand, the Court of Cassation ruled in its ASELSAN⁵² and JELLY BELLY⁵³ judgments that it would not be possible to determine well-known status by ranking or dividing according to the provisions of Decree Law No. 556. Besides, the Court of Cassation has also held that a trade mark known by a small portion of the relevant sector area cannot be deemed well-known.⁵⁴

IV. Well-known trade marks in the IP Act

The Office prepared the IP Act and published it in 2016. The Office then allowed stakeholders to convey their opinions on the draft within ten days. A few changes were made following this consultation period, after which it was sent to the Council of Ministers and then to the Turkish Parliament.

A few changes were made on the IP Act as a result of parliamentary discussions and the Act passed as law in

51 Emrullah Kervankıran, *Tanınmış Markalarda Tanınmışlığın Aranacağı Toplumsal Çevrenin/İlgili Sektörün Belirlenmesi ve Kötü Niyetli Tescil İle Tanınmışlık Arasındaki İlişki (2015) (XI) (42)*, FSHD, 36.

52 The [11th] Civil Chamber of the Court of Cassation decision dated 6 March 2007, numbered 2006/13097E. and 2007/4024K. The Court of Cassation approved the first instance court's decision rendered on the grounds that 'There is not a degree among the trade marks which are accepted as well-known by law, in case the condition of minimum sectoral reputation is met, the trade mark should be given the protection arising from well-known trade marks, it will not be right to divide or rank well-known trade marks and distinguish them as sectoral known trade mark, trade mark that are well-known above the sectors or the trade mark known in Turkey.' <www.kazanci.com> (last accessed 26 December 2016).

53 The [11th] Civil Chamber of the Court of Cassation decision dated 17 December 2013, numbered 2013/15786E. and 2013/23068K. See the cited case at Emrullah Kervankıran (n 52), 29.

54 The [11th] Civil Chamber of the Court of Cassation decision dated 5 March 2013, numbered 1810/4038 that: 'The Court should take into consideration of the opinion of the average consumer group that the trade mark targeted while determining the well-known status, this average consumer group for the trade marks of the plaintiff are businessmen and tradesman who attend fairs and people for whom education and training is important. . . in order to mention that a trade mark is well-known, the relevant trade mark should have known among the minimum relevant sector, in the hereby case, the sector that the well-known will be sought is the whole of fair organisation and magazine publishing; however, the plaintiff's trade mark is known among construction fair and magazine sector which is a small part of the relevant sector, a trade mark which is known by a small portion of the relevant sector cannot be considered as well-known mark.' See: Necati Meran (n 13), 146.

2016 with No. 6769. The IP Act entered into force on 10 January 2017.

In the 1990s, Turkey had to adapt national IP rights regulations in line with EU legislation in order to become a member of the Customs Union. To this end, Turkey quickly prepared decree laws on IP rights which entered into force in the year 1995. Decree laws were preferred since they require less procedure and can be enacted more rapidly but still hold the power of law. It was expected that they would be transformed into laws when Turkey became a part of the Customs Union, however, they have remained in force as decree laws until the enactment of the IP Act.

In order to comply with recent developments in EU IP law, to avoid cancellation decisions by the Constitutional Court and ensure that the relevant regulations are clearer, more understandable and systematic, the IP Act⁵⁵ was prepared to cover trade marks, designs, patents and geographical indications. The new IP Act consists of five chapters, 193 articles and six provisional articles. Most of the provisions in the IP decree laws were inserted into the IP Act and revisions were made in line with the Draft Bill No. 1/756, which however failed to pass with the Parliament and therefore became caduceus.

The IP Act contains new provisions on the matter of well-known trade marks. With the new IP Act, well-known trade marks have been codified in two different provisions as relative refusal grounds:

- According to Article 6/4 of the IP Act, trade mark applications identical or similar to trade marks that are well-known for the purposes of Article 6bis of the Paris Convention shall be dismissed upon opposition for same or similar goods or services. As stated above, the protection of trade marks that are well known for the purposes of the Paris Convention, which used to be contained in Decree Law No. 556 but was repealed by the Constitutional Court has now been reintegrated to the Turkish legal system
- According to Article 6/5 of the IP Act: ‘in case where an unjustified benefit may be obtained by a registered trade mark or a trade mark for which the application has been made on a previous date, due to the well-known status in the eyes of the public, or if the reputation of the trade mark may be damaged or if its distinctive character may be harmed, an application for the registration of the same or similar trade mark shall be refused upon opposition by the

proprietor of the trade mark with an earlier birth date regardless of whether an application has been made for the same, similar or different goods or services, provided that this is not based on a justified ground.’ Indeed, this article is almost identical with Article 8/4 of the Decree-Law No. 556, however ‘just reason’ has been inserted into this provision with the new IP Act.

These relative refusal grounds may be also invoked in favour of the invalidation of a trade mark.

Lastly, according to Article 7/2(c) of the IP Act, the owner of the trade mark may request the prevention of:

[the] use of any sign which is not identical with or similar to the registered trade mark, notwithstanding the overlap of goods and/or services covered, yet which is likely to derive unfair benefit from or be detrimental to the reputation of a registered trade mark due to the well-known status achieved in Turkey, unless this use is based on a just reason.

According to this provision, a registered trade mark owner may not prevent the use of the trade mark by a third person if that use is based on a just reason.

Consequently, protection of well-known trade marks in the meaning of the Paris Convention as according to Article 7/1–(i) of the Decree Law No. 556 cancelled by the Constitutional Court has now been codified as relative opposition and invalidation grounds and the trade marks well known for the purposes of the present Article 8/4 of the Decree Law are protected as well.

V. Conclusion

Determination of the concept and elements of the well-known status of a trade mark and the criteria which shall be taken into consideration while determining the scope of the protection which will be granted for the goods and services that are not covered constitutes great significance in Turkish trade mark law.

The Court of Cassation holds the view that an expert examination is necessary in determining whether a trade mark is well-known. In line with case law, decisions and opinions of the EU and international agreements to which Turkey is a party, evidence submitted by the owner of the trade mark must be taken into consideration, additional to the criteria mentioned. Even though Article 7/1–(i) of Decree Law No. 556, which provided as absolute refusal grounds ‘well-known trade marks in the meaning of the Paris Convention’ was

55 General Preamble and Provision Preambles of the Draft Industrial Property Act: <<http://www.tpe.gov.tr/TurkPatentEnstitusu/resources/temp/D386475F-DF3B-4446-86EB-14B783211D78.pdf>>.

repealed by the Constitutional Court, the wide protection provided to well-known trade marks in Turkish law continues and the well known trade marks in terms of Paris Convention are still protected effectively in Turkey against unauthorized registrations.

It is only possible for a registered trade mark in Turkey to be an obstacle to registration of other trade marks for goods and services outside of its original scope when the use of the applied-for trade mark shall otherwise take unfair advantage or be detrimental to the distinctive character or harm the reputation of the registered trade mark. Accordingly, the fact that a trade mark is well-known will not automatically result in wider protection such as to include other goods and services.

Lastly, with the new IP Act that was published in the Official Gazette, both the protection of well-known trade marks in the meaning of the Paris Convention as implemented by the constitutionally revoked Article 7/1–(i) of Decree Law No. 556, is now reintegrated as relative opposition and invalidation grounds and well-known trade marks in the meaning of the present Article 8/4 of the Decree Law are protected. However, the concept of ‘just reason’ has been added as an exception to the protection of well-known trade marks.

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