

IP Court confirms principle of 'trademark series'

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The Ankara Second IP Court has confirmed the principle that, in order to benefit from the principle of 'trademark series', not only must the trademark owner own a prior trademark, but the new application must not violate the trademark of a third party and/or create a likelihood of confusion with another trademark (Case 2010/102E - 2011/8K, January 13 2011).

The principle of 'trademark series' was recently established by the Court of Appeal: according to this principle, the owner of a registered trademark will be given priority to register a later mark containing the same root.

In the case at hand, plaintiff Seiko Holdings Corporation filed an action for the cancellation of the trademark SEIKON based on its earlier SEIKO marks. Seiko alleged that:

- its SEIKO marks were well known; and
- the defendant had registered its mark in bad faith (the defendant's bad faith had already been recognised in other disputes between the parties).

The defendant had filed several applications for the registration of trademarks similar to the SEIKO marks, such as SEIKON, SEIKON (and design), SAIKON and SEYKON. Although the SEIKON mark had been partially registered for some of the goods at issue, the court decided to cancel the mark for all the goods. However, since the decision has been appealed to the Court of Appeal and is not yet final, the trademark could not be deleted from the Register.

The Turkish Patent Institute, a co-defendant in this case, accepted the defendant's allegations regarding its second application for the registration of SEIKON: according to the defendant, because the first SEIKON mark is currently registered, it had prior rights in the mark because both marks constitute a trademark series.

The Ankara Second IP Court stated that it was not sufficient for the defendant to own an earlier registered trademark - in addition, the defendant's trademark application should not:

- be similar to the registered trademarks of the plaintiff or of third parties;
- create confusion and unfair competition;
- take unfair advantage of the reputation of the plaintiff's well-known trademarks; and
- be detrimental to the reputation and distinctive character of the plaintiff's well-known trademarks.

The court found that the defendant's application took unfair advantage of the reputation of the plaintiff's well-known trademarks, and was detrimental to the reputation and distinctive character of the plaintiff's marks.

The court further stated that the Court of Appeal's recent decisions, which recognised the principle of 'trademark series', could not be interpreted as permitting the registration of later trademarks if there was a likelihood of confusion with the marks of third parties. Furthermore, the court noted that the defendant's prior trademark - which had already been cancelled by another court, but had not yet been deleted from the Register - had never been used for the goods at issue; a trademark which has never been put to genuine use cannot be considered as an acquired right for the purpose of registering a trademark with a more recent application date. Finally, the court stated that, on November 13 2006 (the date of the second application), the first trademark had not yet been registered, since its registration date was February 18 2009. As a result, the defendant did not have rights in the SEIKON mark on the date of the second application.

The IP Court clearly stated that, in order to benefit from the principle of 'trademark series', it is not sufficient for the trademark owner to own an earlier registered trademark: the latest trademark application must not create confusion and unfair competition, and must not take unfair advantage of the reputation of a well-known trademark. The IP Court's decision has been appealed by the defendant company and by the Turkish Patent Institute - the Court of Appeal's decision in this case is awaited eagerly.