

TURKEY: New Industrial Property Code Now in Force

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Long-awaited Industrial Property Code (the IP Code) No. 6769 entered into force upon publication in the Official Gazette on January 1, 2017.

The IP Code has now replaced the respective Decree-Laws pertaining to the protection of trademarks, patents, geographical indications, and industrial designs, unifying them into a single code. The Decree-Laws on the protection of trademarks, patents, and industrial designs will continue to apply to international and national trademark, design, and patent applications filed before January 10, 2017. The application of the old system ends once the application is registered. Therefore, if a cancellation or non-use action is filed after January 10, 2017 against a mark registered under the old system, the new IP Code will apply.

The IP Code refers to all the above rights it regulates as “industrial property,” with emphasis on the fact that copyrights are not covered. Below is a summary of the major changes in relation to trademarks that are introduced by the IP Code:

- The Turkish Patent Institute’s name has changed to the Turkish Patent and Trademark Office (TPTO).
- It is now possible to overcome the *ex-officio* absolute ground of refusal that under the preceding legislation used to prevent even the initial registration of a trademark identical or indistinguishably similar to an earlier trademark, with the submission of either a notarized letter of consent from the senior trademark’s owner or a co-existence agreement.
- Cancellation due to non-use is regulated by the IP Code, but will be dealt with by the TPTO rather than the courts. However, the date of effect of this provision has been suspended for seven years; thus, cancellation actions may continue to be filed before IP courts until the year 2023.
- Likewise, the protection of well-known trademarks within the meaning of the Paris Convention, which was recently revoked by the Constitutional Court, has been re-introduced as a relative opposition and invalidation ground.
- The non-use of a trademark that was cited as grounds in opposition or infringement/cancellation proceedings may also be raised as a defense by the applicant or the defendant. Where the earlier trademark registration in Turkey dates back to at least five years before the application of the opposed trademark or the filing of the court action and upon request by the applicant/defendant, the TPTO/court will demand evidence from the opponent/claimant to show genuine use of the trademark in Turkey or reasonably justify the non-use. If genuine use cannot be proven, the opposition/court action will be dismissed.
- An IP rights holder can no longer raise its registered right as defense in an infringement action filed by a priority rights holder. Consequently, having a later registration will not mean that there is no infringement, which was a problematic issue under the Decree-Law.
- Likewise, the five-year term for filing an invalidation action is now unambiguously regulated in a separate provision. The IP Code’s relevant provision combines the limitations on filing an invalidation action with loss of rights due to silence, and sets forth the bad faith of the registrant as the exception thereof. The provision sets forth that if the owner of the senior mark has acquiesced for a consecutive term of five years to the use of the later registration, the senior mark cannot be cited as a basis for invalidation grounds, provided that the latter registration is not in bad faith.
- The principle for domestic exhaustion of IP rights has been changed to international exhaustion. Furthermore, the principle of exhaustion of trademark rights has been limited to products (instead of trademarks) released in the market.
- Where seized counterfeit products have been damaged or have incurred loss to their value, or if their preservation constitutes serious burden, the judge or court may decide in favor of their destruction before a final decision on the merits of the case is rendered, once their counterfeit nature is established with an expert examination.
- The term for opposition has been shortened from three months to two months.

- The graphical representation criteria for signs to be registered as a trademark have been changed to better align filing requirements with the EU Trademark Directive.
- Bad faith constitutes separate opposition and invalidation grounds, whereas it used to be applied by the courts and the TPTO as per general provisions.
- A sign that contains geographical indications cannot be registered as a trademark.

The new IP Code is generally considered a favorable development and is welcomed by stakeholders. While some issues are expected to stir discussion, in particular with regard to the relevant case law, the IP Code should resolve some of the paramount issues for IP owners in Turkey.

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