World Trademark Review

8 Apr 2019

Constitutional Court weighs trademark rights against freedom of expression

Turkey - Gün + Partners

- **Yurtiçi Kargo argued that the use of its mark in 'yurticikargomagdurları.com' infringed its trademark rights and constituted unfair competition**
- **The IP Court held that there was unfair competition and ordered to block the access to the website; the Court of Appeal confirmed**
- **The Constitutional Court found that the freedom of expression had not been violated by such order, but the court's president dissented**

Following an application by an individual, the Turkish Constitutional Court has considered whether the freedom of expression is violated by a prohibition to access a website where the trademark of a third company is used in the domain name.

Background

The dispute arose from the use of the trademark of a reputable cargo company, YURTIÇIKARGO, in the domain name 'yurticikargomagdurları.com' (which means 'the victims' of said cargo company in Turkish). The company filed an action requesting pecuniary and non-pecuniary compensation, arguing that such use infringed its trademark rights and constituted unfair competition.

The Istanbul Fourth IP Court decided (Decision No 2013/117, Merit No 2012/137, 2 July 2013) that no unfair benefit had been derived from the well-known status of the company's trademark, that no commercial effect was sought and that no good or service was provided on the website. Therefore, it concluded that such use did not constitute trademark infringement. However, the IP Court held that there was unfair competition since the domain name created a negative impression among consumers, humiliated the company and damaged its commercial reputation. As a result, the court ordered the payment of compensation and the blocking of the access to the website.

The Court of Appeal upheld the decision (Decision No 2014/5119, Merit No 2013/15738, 17 March 2014).

The administrator of the website, who was also one of the defendants in the abovementioned case, filed an application before the Constitutional Court, mainly alleging that the freedom of expression was violated by blocking the access to the website for an indefinite period of time.

Constitutional Court decision

The court assessed whether such prohibition infringed the freedom of expression, taking into account several factors, including legitimacy, justified reasoning and proportionality with the requirements of democratic social order.

The court held that commercial reputation is one of the property rights that the state has a positive obligation to protect. Since the prohibition aimed to protect the company's commercial reputation, such measure was proportional to the requirements of democratic social order. Therefore, the court rejected the application by a majority.

However, the court's president dissented, holding that criticising companies is as necessary as criticising the organs of the state and political power, so that companies must be tolerant to reproval. A dispute heard by the WIPO Arbitration and Mediation Center, ***Akbank Türk AŞ v Nurullah Akın*** (Case No 2011-1411, 25 October 2011), was mentioned as a precedent. In this case, the arbitrator had held that criticism against any trademark or good/service provider should be evaluated within the scope of the freedom of expression. Accordingly, it was found in the dissenting opinion that the freedom of expression was violated by blocking the access to the website for an indefinite period; therefore, the application should have been upheld.

Comment

This decision is significant since it draws attention to the relationship/conflict of interest between the rights/legal remedies afforded to trademark owners and the constitutional rights of individuals. Should the dissenting opinion become widely adopted in the future, it will be interesting to see its effect on the rights of trademark owners, especially in cases involving trademark infringement or unfair competition.

Güldeniz Doğan Alkan

Gün + Partners

TAGS

Enforcement and Litigation, Internet and Online, Europe, Turkey