

Question Q214

National Group: Turkish National Group

Title: Protection against the dilution of a trade mark

Contributors: E. Zeynep Cehiz
Özge İstanbulluoğlu Arabacıoğlu
Abdurrahim Ayaz
Müge Kurtbeyoğlu
İdil Buse Kök

Representative within Working Committee: Özge İSTANBULLUOĞLU

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Questions

I. Analysis of current law and case law

The Groups are invited to answer the following questions under their national laws:

1. Do the laws of your country provide for protection against dilution of a trademark? If so, which laws?

The laws of our country provide protection against dilution of a trademark. The main Law related to the protection of trademark rights in Turkey which is the Decree Law Nr. 556 Pertaining to the Protection of the Trademarks (hereafter "DL 556") provides protection against dilution of a trademark through the Article 8 paragraph 4 and Article 9 paragraph 1/c of the DL 556.

In addition, Turkey is a party to both the Paris Convention for the Protection of Intellectual Property and to the agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS).

2. Is there a legal definition of dilution in your legislation or case law?

DL 556 does not provide a direct legal definition of dilution. Article 8 paragraph 4 of the DL 556 which mentions the well-known trademark provides that an application of a trademark, which may gain unfair advantage of or damage the distinctive character or the reputation of a

registered trademark or of a trademark which has an earlier date of application, will be rejected upon the opposition of the owner of the earlier trademark even to be used for goods and services, which are not similar to those of registered trademark.

In addition, Article 9 paragraph 1/c of the DL 556 provides that the owner of a trademark shall be entitled to demand preventing all third parties for using of any sign which damages the distinctive character of the registered trademark or which derives unjust benefit from the reputation of the registered trademark through the use of the later trademark in case of the subject sign is identical or similar to the registered trademark and is used in relation to the goods or services which are not similar to those of the registered trademark.

There is no case law focusing only on dilution. However, in most first instance court decisions and also the decisions of the Court of Appeal, risk of damaging reputation and distinctive character is mentioned as a result of the well-known nature of the earlier trademark.

3.1. Which trademarks are afforded protection against dilution? What are the eligibility criteria? (Please only briefly list the eligibility criteria here; more detailed explanations will be required below).

According to the Turkish Trademarks Law, well-known trademarks are afforded protection against dilution. Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks” adopted by WIPO at the Thirty Fourth Series of Meetings of the Assemblies of the Member States of WIPO on September 20 to 29; Article 2 and the Turkish Patent Institute’s (hereafter “TPI”) criteria for well-known trademark applications, accepted in the Law No. 5000 Pertaining to the Organization and Duties of the Turkish Patent Institute; are applied as the eligibility criteria; i.e:

Criteria to be taken into account by the Turkish Trademark Office in determining the notoriety of a trademark:

- 1) The duration of the registration and use of a trademark (Detailed information with respect to background history);
- 2) The spread of the geographical area and coverage involved by the registration and use of a trademark (Details of domestic and foreign registrations);
- 3) The specifics [details] as regards the extent of availability of goods/services on the market under a trademark, market share, annual sales figures;
- 4) The particularities of the promotional activity under a trademark (especially the promotional activity exercised in Turkey)? The duration of the promotional activity, its continuity, the geographical area covered, the scope of such activity, money spent for the promotion, the nature of the promotion (television advertisements, advertisements in local newspapers, promotional activity directed solely to children parents, etc.);

- 5) Whether activities in addition to advertising activities are exercised that may assist the promotion in a trademark? (Publications in magazines, periodicals or other printed media or television broadcasting, display of branded products in fairs/exhibitions, etc.);
- 6) Whether there exists a court judgement showing the notoriety of a trademark, what are the efforts exerted by a trademark owner to effectively protect its trademark? (Save a judgement regarding the notoriety of a trademark, other court decisions, ensuing trademark and/or unfair competition court actions, the numbers of opposed applications, etc.);
- 7) How original is a trademark? What are the features that render a given trademark distinctive?
- 8) If case of surveys or public polls with respect to the notoriety of a trademark, the results of such works;
- 9) Characteristics particular to a trademark owner (The size of an establishment, the number of its employees, its paid-up capital – equity, annual sales figures, annual profit figures, sales distribution channels of an establishment in the homeland and abroad, subsidiaries – affiliates – branches – distribution agents – servicing network, total figures with respect to taxes paid by the establishment, figures of exports achieved under a trademark, the market share held in a specific market);
- 10) Whether or not a trademark identifies the products or services in relation to which it is being used? Whether, when seen a word or device mark instantaneously reminds a specific product? Whether, in relation to a product or services in respect of which a trademark is used, the mark is indicative of a particular quality or status?
- 11) Whether the product carrying the trademark or the trademark owner holds one or more certificates or prizes (such as with respect to the quality or other characteristics)?
- 12) What are the distribution channels (other than the channels of the trademark owner) from which a trademark may benefit and the chances for successful import and export facilities under a trademark?
- 13) In case of sale of a trademark, if the financial value of a trademark has been effected, what is the monetary value of the trademark? Whether the monetary value of the trademark has been specified in the annual balance sheet of the establishment?
- 14) What is the scope of the coverage of the products and/or services under a trademark registration? (Example: a trademark registration for “lemonade” versus a registration for the entire range of electronic products);
- 15) In case a trademark is well-known by the public at large, since how long such state of notoriety is subsisting?

- 16) Has there been any attempt to infringe a trademark because of its notoriety? Is a well-known trademark being counterfeited by third parties? (The figures concerning the number of applications filed to register a mark similar to a well-known mark; whether or not a well-known mark is being by unauthorized third parties; etc.). In case of use of a well-known mark by third parties, whether such use, manner, the geographical area and commercial field to which it applies damages the interests of the trademark owner?
- 17) Whether or not, because of the nature of the potential of factual user segments (Example: a product mark destined to physicians versus a product mark destined to children) or the characteristics of the products or services in respect of which it is used (a vehicle mark versus a chewing-gum mark) a well-known trademark is open to infringement?
- 18) Any and all documentation to evidence the matter identified above or to evidence the notoriety of a trademark.

However, these are not enforceable propositions of law and consisting guidance in determining whether a trademark is well-known.

- 3.2. To be eligible for protection against dilution does a mark need to be distinctive? If so, does the protection depend upon the mark being inherently distinctive or are marks that have acquired distinctiveness through use also protected?

According to the DL 556, since a mark should be a well-known mark to be eligible for protection against dilution, it already has a distinctive character. However, inherent distinctiveness is not sufficient for protection against dilution. A trademark, which has acquired distinctiveness and reached a well-known status, would also be protected against dilution.

- 3.3.1 To be eligible for protection against dilution does a mark need to have a reputation or be well-known or famous? If so, when does a mark have a reputation, when is it well-known or when is it famous? Are the factors mentioned in paragraph 15 and 22 above relevant for determining whether a mark has a reputation, is well known or famous? For what point in time does this have to be assessed?

Under Turkish Law, there is no difference in meaning between the terms “trademark with reputation”, “well-known trademark” or “famous trademark”. To be eligible for protection against dilution a mark needs to be a well-known trademark. There is not a certain definition of well-known trademark in the DL 556, as the International Agreements. A trademark meets the criteria, accepted by WIPO and the TPI, is considered as a well-known trademark. Accordingly, a trademark must be known by a significant part of the relevant public before it is entitled to receive the extended protection accorded to a well-known mark. The factors mentioned in paragraph 15 and 22 are relevant for determining well-known trademarks. The argument that a trademark is well-known could be assessed through the court proceedings including infringement, invalidation and declaratory judgment cases and opposition proceedings and well-known trademark applications filed before TPI.

- 3.3.2 For a mark to have a reputation or to be considered well known or famous, must it

meet a certain knowledge or recognition threshold? If so, what is that threshold? What percentage of population awareness is required? How widespread must the awareness be across the country? If a mark is well known or famous in one country, what effect, if any, does this have with regard to other countries?

Trademarks have to meet both a certain knowledge and recognition to be considered as a well-known trademark, however, the awareness of the well-known trademarks is not determined by certain percentage of population or geographical regions, districts. Accordingly, a trademark must be known not by all but by a significant part of the relevant public in both number of people and geographical regions, districts as to be accepted as well-known. The fact that a trademark is well-known or famous in the other countries can be used as evidence before the TPI and the Turkish courts to prove well-known status of that mark in Turkey.

3.3.3 What is the relevant population in determining the knowledge, recognition or fame of the mark, the general public at large or the relevant sector of public? Is recognition or fame in a limited product market (“niche market”) sufficient?

According to the decision of the Court of Appeal and the doctrine, knowledge, recognition or fame of the mark is determined by the relevant sector of public and limited product of market. Some goods and services are used only in one district; however some of them are used all across the country. Under the circumstances, well-known character of the trademark decided with respect of the related group. Therefore this has to be determined according to the relevant sector, whether the market is related to the everyday good or niche market. Recognition or fame in a limited product market (“niche market”) is sufficient.

3.4 To be eligible for protection against dilution, is it required that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in the country where protection is being sought?

According to the Article 1 and Article 8 paragraph 4 of the DL 556, it is mentioned that the aim is to protect the trademarks registered in conformity with the provisions of the said law. Accordingly, to be eligible for protection against dilution of trademark, it is required that the mark has been registered or has been applied for registration. However, at that point it is important to note that according to the Article 7 paragraph I of the DL 556, a mark considered well-known in consideration of the Paris Convention for the Protection of Intellectual Property will be protected in Turkey. For that reason, such mark may also be eligible for protection against dilution even if it is not registered or in use or applied for application of registration in the country.

3.5. Are there any other criteria a mark must comply with to be eligible for protection against dilution?

No there are not any other criteria.

3.6. Is eligibility for protection against dilution a matter of law or an issue of fact? Who bears the burden of proof regarding the eligibility criteria? How does one prove that a mark meets the eligibility criteria? Are sales and advertising figures sufficient or is survey

evidence required? Which evidential standard must this proof satisfy?

The eligibility for protection against dilution is a matter of law. The burden of proof lies on the party claiming dilution or likelihood of dilution. One has to prove the eligibility criteria with sales figures, advertisements, invoices, acquaintances, surveys etc. Survey evidence is not mandatory in order to prove the eligibility criteria. Accordingly, sales and advertising figures are not sufficient to meet the eligibility criteria; both of them have to be supported with the above-mentioned documents and information. There is not an evidential standard that must be satisfied however, the above-mentioned criteria are consisting guidance in determining whether a trademark is well-known and this is in the consideration of the TPI and the courts.

3.7. Is there any registry of eligible marks in your country? If so, what is the evidentiary value of registration? Can it be challenged in litigation?

There is a list of well-known trademarks in the records of the TPI. So, it is possible to apply for the determination of a mark to be recorded as a well-known trademark before the TPI. Accordingly, trademarks determined as well-known could be accepted that they are protected against dilution. The determination of TPI is accepted as a presumption and can be challenged in litigation.

4. Does your law require the existence of a 'mental association' or 'link' between the earlier trademark and the later trademark? If so, in which circumstances does a 'mental association' or 'link' between the earlier trademark and the later trademark exist? Are the factors mentioned in paragraph 27 and 28 above relevant for assessing the existence of such a 'mental association' or 'link'? Are there other factors to take into account? Is the assessment of a link a question of fact (so something that can be established by market surveys), or is it a question of law to be established by the courts or authorities on the basis of such factors?

Our law requires the existence of a "mental association" between the earlier trademark and the later trademark. A 'mental association' or 'link' between the earlier trademark and the later trademark exists in the circumstances when a likelihood of link or mental association is proved by the owner of the earlier trademark. The factors mentioned in paragraph 27 and 28 are relevant for assessing the existence of a "mental association" under the DL 556 or the case law. There are no further factors to take into account.

Under the DL 556 and the Turkish case law, the assessment of a link is a question of law to be established by the courts and the authorities, namely TPI by taking into consideration the above-mentioned factors. In other words, it is not mandatory to prove the fact according to the Turkish Law; the court has to be convinced of the risk or likelihood of "link" or "mental association" for the assessment.

5. Does such 'mental association' or 'link' between the earlier trademark and the later trademark automatically result in detriment to the earlier trademark's repute or distinctive character? Or does detriment have to be proved over and above the existence of a 'mental association' or 'link'?

The existence of 'mental association' or 'link' between the earlier trademark and the later trademark does not automatically result in detriment to the earlier trademark's repute or distinctive character. Not the actual detriment but the risk or likelihood thereof should be proved.

6. Are the same factors taken into consideration to assess the existence of detriment as those already discussed for the link? Are there additional ones?

The factors, which are already discussed for the 'mental association', are taken into consideration to assess the existence of detriment. Mostly, where there is a link or mental association with a well-known trademark, the court decides that there is a risk of detriment.

Additionally, if the risk of damaging reputation such as detrimental advertising or the risk of damaging the distinctive character can be shown, the courts are more likely to decide in favour of the earlier / well-known trademark.

7. Must actual dilution be proved or is a showing of likelihood of dilution sufficient?

Proving actual dilution is not mandatory. A showing of likelihood of dilution is sufficient, in both administrative and judicial proceedings, to benefit from protection against dilution.

Whose burden of proof is it?

The burden of proof lies on the party claiming dilution or likelihood of dilution.

How does one prove dilution or likelihood of dilution?

In Turkish Trademark Law, it is a pre-requirement for a trademark to be well-known in order to be protected against dilution. Therefore, the party seeking protection against dilution or likelihood of dilution must first prove that his/her trademark is well-known.

In order to prove dilution or likelihood of dilution, there are no requirements as to prove a number of facts or a particular combination of facts. In order to prove dilution or likelihood of dilution, all facts potentially impact upon whether dilution may be put forward. These facts include, but not limited to; the recognition level of earlier mark, the degree of distinctiveness of the marks (inherent or acquired), the degree of similarity of the marks, the degree of similarity between the goods/services, the presence of earlier similar marks on the register and/or on the use, the market share presented by the marks, extend and intensity of use/reputation, geographic extend and duration of use of the mark, the size of the investment made in building and protecting the mark.

Does detriment require evidence of a change in the economic behavior of the average consumer or that such change in behaviour is likely? If so, what is a change in the economic behaviour of the average consumer? Is reduced willingness to buy goods sold under the earlier mark a change in the economic behaviour? How do you prove a change in the economic behaviour of the average consumer or likelihood of such change in behaviour?

Detriment does not require a change in the economic behaviour of the average consumer. Establishing likelihood of such a change is sufficient.

Detriment neither requires a change in the economic behaviour of the average consumer nor likelihood thereof.

8. What is the extent of protection afforded to marks which are eligible for dilution protection? May the owner of the earlier trademark object
- to the registration of a later trademark?
 - To the actual use of a later trademark?
 - in respect of dissimilar goods only or also in respect of similar goods?

It is expressly set forth in Article 8 paragraph 4 and Article 9 paragraph 1 (c) of Turkish Trademark Law, DL 556 that the owner of the earlier trademark, which is eligible for the dilution protection, may object to the use and registration of the later trademark in respect of dissimilar goods/services.

Whether the owner of earlier trademark may also object to the use and/or registration of later trademark in respect of similar goods/services is not expressly regulated. It, in Turkish Groups opinion, is a matter of interpretation of Article 8 paragraph 4 and Article 9 paragraph 1 of Turkish Trademark Law, DL 556, in the light of the overall scheme and objectives of the system, whether these articles intended to provide less protection where a sign is used for identical or similar goods/services than where a sign is used for non-similar goods/services. There is no case law interpreting these articles, whether well-known trademarks are protected against dilution or likelihood of dilution against use and registration of the later mark in respect of identical/similar goods.

Turkish Group is of the opinion, however, that where the sign is used for identical or similar goods or services, a mark with a reputation must enjoy protection, which is at least as extensive as where a sign is used for non-similar goods or services. Thus, Article 8 paragraph 4 and Article 9 paragraph 1 of Turkish Trademark Law, DL 556, should be understood as “a mark with a reputation must enjoy protection which is at least as extensive as where a sign is used for non-similar goods or services”, as European Court of Justice (ECJ) has interpreted the similar provisions, Article 4(4)(a) and Article 5(2) of Directive 89/104/EEC, in judgment *Adidas and Davidoff & Cie SA, Zino Davidoff SA v. Gofkid Ltd, Case 292/00, [2003]*.

9. What are the legal remedies? May the owner of the earlier trademark file an opposition and/or a cancellation action? May he ask for injunctive relief or preliminary injunctive relief? Does your trademark office refuse the registration of a later trademark on grounds of likelihood of dilution?

The legal remedies are the cancellation actions before the courts as well as the opposition proceedings before the TPI. The owner of the earlier trademark may file an opposition and/or cancellation action against the later trademark. The owner of the earlier trademark may ask

for injunctive relief or preliminary injunctive relief. Our trademark office, Turkish Patent Institute, refuses the registration of a later trademark on grounds of likelihood of dilution upon opposition of earlier trademark.

II. Proposals for adoption of uniform rules

The Groups are invited to put forward proposals for adoption of uniform rules with a view to protecting trademarks against dilution. More specifically, the Groups are invited to answer the following questions:

1. Which trademarks should be eligible for protection against dilution? What should the eligibility criteria be? Should recognition or fame in a limited product market (“niche market”) be sufficient?

In addition to the well-known trademarks, inherently distinctive trademarks should also be eligible for protection against dilution. Recognition or fame in a limited product market should be sufficient.

2. Should it be a criteria for being eligible for dilution protection that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in the country?

Neither an application for registration of a mark nor the registration or the use of a mark in the country should be criteria for being eligible for dilution protection.

3. Should there be a registry of eligible marks? If so, what should the evidentiary value of registration be? Should it be possible to challenge it in litigation?

No, there should not be a registry for eligible marks. Such registry cannot be reliable since the marks, which are registered in the registry can lose their availability in time and can still continue to exist in the registry unnecessarily. The possibility of existence of such marks shows that this kind of registry cannot be efficient and reliable. As per the specification of each case, the court and the administration should evaluate the well-known status of the trademark and the risk of dilution.

4. Should the existence of a ‘mental association’ or ‘link’ between the earlier trademark and the later trademark be an independent requirement for a trademark dilution claim?

The existence of a “mental association” or “link” between the earlier trademark and the later trademark should be evaluated together with the detriment of the distinctive character and the reputation of a trademark, but not independently.

5. Should detriment to the distinctive character or reputation of the earlier mark require evidence of a change in the economic behaviour of the average consumer or that such change in behaviour is likely?

Detriment to the distinctive character or reputation of the earlier mark should not require evidence of a change in the economic behaviour of the average consumer since detriment may take a number of different forms as the earlier mark is no longer capable of arousing immediate association with the goods for which it is registered, or the power of attraction of the earlier mark is diminished. Therefore, likelihood of a change in the economic behaviour of the average consumer should be sufficient for detriment.

6. What should the remedies be for dilution of a mark?

The remedies for dilution of a mark should be the rights to object use and/or registration of later mark.

Summaries

SUMMARY

The Turkish Group;

- a. believes that Turkish law provides protection against dilution of a trademark, which, at the same time, needs to be enriched and standardized by case laws for common understanding and application in both administrative and judicial level.
- b. believes that likelihood of dilution is sufficient to be eligible for protection within the terms of Turkish Trademark Law, without the need explicitly to identify a link.
- c. is of the opinion that the requirement of detriment should not depend on any single factor or a set of particular combination of facts. The detriment or likelihood thereof should be determined by taken all factors into account, including but not limited to the degree of similarity of the marks, the presence of similar earlier marks on the register, the extend and intensity of reputation/use of the earlier mark, the degree of distinctiveness of the marks (inherent or acquired), the degree of similarity between the goods/services, geographical extend and duration of use.
- d. is of the opinion that it should not be necessary to prove actual or present dilution. A probability of future risk of dilution must however be shown. The probability of future risk of dilution must be real and tangible.

RÉSUMÉ

Le groupe Turc :

- a. estime que le droit turc prévoit une protection contre la dilution d'une marque, qui dans le même temps, doit être enrichie et standardisée par la jurisprudence pour une interprétation et application commune au niveau administratif et judiciaire.
- b. estime que le risque de dilution est suffisant pour être admissible à une protection dans les termes du droit des marques turc, sans qu'il soit nécessaire d'identifier explicitement un lien.
- c. est d'avis que l'exigence du préjudice ne doit pas dépendre d'un seul facteur ou d'un

ensemble de combinaison particulière de faits. Le préjudice ou le risque de ce dernier doit être déterminé en tenant compte de tous les facteurs, y compris mais sans s'y limiter, le degré de similarité des marques, la présence de marques antérieures similaires dans le registre, l'étendue et l'intensité de la réputation/usage de la marque antérieure, le degré de distinctivité des marques (inhérent ou acquis), le degré de similarité entre les biens et les services, l'étendue géographique et la durée de l'usage.

d. est d'avis qu'il ne devrait pas être nécessaire de prouver une dilution réelle et actuelle. Une probabilité d'un risque futur de dilution doit cependant être démontrée. La probabilité d'un risque futur de dilution doit être réelle et tangible.

ZUSAMMENFASSUNG

Die türkische Gruppe,

a. ist der Auffassung, dass das türkische Recht zwar Schutz gegen Verwässerung einer Marke gewährleistet, es jedoch zur allgemeinen Vereinbarung, der Bereicherung und Standardisierung durch Rechtsprechung sowie Anwendung auf administrativer und juristischer Ebene bedarf.

b. vertritt die Ansicht, dass die Wahrscheinlichkeit der Verwässerung ausreichend ist, im Rahmen des türkischen Markenrecht für einen Schutz in Anspruch genommen zu werden, ohne dass es erforderlich wäre eine Verbindung zu ermitteln.

c. ist der Auffassung, dass die Voraussetzung des Schadens nicht von einem einzigen Faktor oder von bestimmten kombinierten Fakten abhängen sollte. Der Schaden oder die Wahrscheinlichkeit davon, sollte unter Berücksichtigung aller Faktoren berücksichtigt werden, einschließlich aber nicht beschränkt auf, Grad der Ähnlichkeit der Marken, Vorhandensein von ähnlichen zuvor eingetragener Marken im Register, Ausmass und Intensität der Reputation/ Verwendung der älteren Marke, Grad der Unterscheidungskraft der Marken (innewohnend oder erworben), Grad der Ähnlichkeit zwischen den Gütern/Dienstleistungen, geografischer Umfang und Dauer der Verwendung.

d. vertritt die Meinung, dass es nicht notwendig sein sollte die wahre oder gegenwärtige Verwässerung zu belegen. Jedoch sollte eine Wahrscheinlichkeit der künftigen Gefahr der Verwässerung nachgewiesen werden. Die Wahrscheinlichkeit des Risikos einer zukünftigen Verwässerung muss wahr und konkret sein.