

Question Q218

National Group: Turkish Group

Title: **The requirement of genuine use of trademarks for maintaining protection**

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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. Is genuine use a requirement for maintaining protection? What is the purpose of requiring genuine use? Is it to keep the register uncluttered and to thereby allow for new proprietors to make use of a "limited" supply of possible marks? Is the purpose of requiring genuine use to protect consumers from confusion as to the source of origin of the goods or services? Or are there multiple purposes?*

Genuine use is a requirement for maintaining protection. Turkish Trademark Law, Decree Law No. 556 Pertaining to the Protection of Marks (hereinafter referred as "DL 556") uses the wording "serious use" instead of "genuine use". Turkish Group is of the opinion that the wording "serious use" refers exactly what "genuine use" refers.

The purpose of requiring genuine use is to keep the register uncluttered and to thereby allow for new proprietors to make use of a "limited" supply of possible marks. Another purpose is to avoid registrations obtained or maintained without an intension of using the mark but with an intension to prevent others to use it.

The purpose of requiring genuine use is not to protect consumers from confusion as to the source of origin of the goods or services.

2. *What constitutes genuine use of a trademark?*

The use of the mark has to be consistent with the essential function of a mark, which is to distinguish the goods and services of one proprietor from the goods and services of other proprietor, and the subject use must be in relation to the goods and services it is registered for. According to the related articles of DL 556, the usage of the mark needs to create a direct connection between the mark and the goods or services.

3. *Is use "as a mark" required for maintaining protection? Is use as a business name, use in advertising or use on the Internet sufficient? Is use of a mark in merchandising genuine use for the original products? (For instance, is use of the movie title Startrek, registered for clothing and used on the front of a T-Shirt, genuine use of the mark for clothing?)*

Use "as a mark" is required for maintaining protection.

Use as a business name alone is not sufficient.

In order to decide the sufficiency of the use on the Internet and use in advertising, concrete case must be considered. The use on the Internet or in advertising is considered to be sufficient if it distinguishes the goods and services of the proprietor from the goods and services of other proprietors and makes a direct connection with the mark and the goods and services of the proprietor and it is perceived by the consumers in the same vein.

If the merchandising mark and the mark used together is perceived as distinguishing by the consumer, such use is considered as genuine use for the original products.

4. *What degree of use is required for maintaining protection? Is token use sufficient? Is minimal use sufficient?*

No specific degree of use is required for maintaining protection.

In assessing whether the use of the mark is sufficient for maintaining protection, regard must be taken to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly if such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of the goods or services at issue, the characteristics of the market and the scale and frequency of use of the mark.

The object of use is to create or preserve an outlet for marked goods and services, and not simply to maintain the rights in the mark. Therefore, although there is no specific provision of case law, Turkish Group is of the opinion that token use is not sufficient for maintaining protection in Turkey.

Minimal use is sufficient as long as it qualifies as genuine use, which depends on condition that it is deemed to be justified, in the economic sector concerned, for the purpose of preserving or creating a share in the market for the goods or services protected by the mark. Use of the mark need not always be quantitatively significant

for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.

5. *Is use in the course of trade required? Does use by non profit-organisations constitute genuine use? Does use in the form of test marketing or use in clinical trials constitute genuine use? Does use in form of free promotional goods which are given to purchasers of other goods of the trademark owner constitute genuine use? Does internal use constitute genuine use?*

Use in the course of trade is required.

As long as the association in question uses the marks to identify and promote the goods or services for which they were registered, use by non profit-organizations constitutes genuine use. The fact that a charitable association does not seek to make profit does not mean that its objective cannot be to create and preserve an outlet for its goods or services.

There is no specific provision as well as Case Law regarding the use in the form of test marketing and in clinical trials.

Turkish Group is of the opinion that the use in the form of clinical trials may not be considered as genuine use since the subject trials are related to in-door procedures and goods/services do not reach the consumers. However if all the circumstances are valid, such clinical trials may be evaluated as a proper reason for non-use.

The use in the form of test marketing may be considered as genuine use as long as such use meets the conditions of the essential function of the mark.

There is no specific provision of case law on whether use in form of free promotional goods which are given to purchasers of other goods of the mark owner constitutes genuine use. Turkish Group is of the opinion that use in form of free promotional goods which are given to purchasers of other goods of the mark owner does not constitute genuine use since the essential function of a mark is not fulfilled. In such a situation, those items are not at all distributed with the aim of penetrating the market for those goods. Under such circumstances, affixing the mark to goods which are given as free promotional goods to the purchasers of other goods does not contribute to creating an outlet for those items or to distinguishing, in the interest of the customer, those items from the goods of other proprietors.

There is no specific provision of case law on whether internal use constitutes genuine use. Turkish Group is of the opinion that internal use does not constitute genuine use. Genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the proprietor concerned.

6. *What is the required geographic extent of use? Is use only in one part (or a state in the case of confederation) of the country sufficient? Is use of the CTM in only one EU member state sufficient? Is use only in relation to goods to be exported sufficient? Is use in duty free zones considered to be genuine use?*

The use must take place within the geographic area of Turkey.

Use only in one part of the country is sufficient.

Since Turkey is not a member of EU, and CTM are not protected in Turkey, the question regarding the use in the CTM is irrelevant for countries other than EU members, like Turkey.

Use only in relation to goods to be exported is sufficient.

Use in duty free zones is considered to be genuine use.

7. *Does genuine use have to take place in the exact form in which the mark is registered? Is use in a different form sufficient? What difference is considered permissible? What if (distinctive) elements are added or omitted? Is use of a mark in black and white instead of colour sufficient (in case of marks with a colour claim) and vice versa?*

Genuine use does not have to take place in exact form in which the mark is registered. According to DL 556, use of the registered mark in a form that differs in elements which do not alter the distinctive character of the mark constitutes use of the mark.

If the consumer does not perceive the mark differently, then condition regarding the use of marks in different forms is permissible even if distinctive element added or omitted.

Use of a mark in black and white instead of color or vice versa is sufficient.

8. *Does the mark have to be used in respect all of the registered goods and services? What if mark is used in respect of ingredients and spare parts or after sales services and repairs, rather than registered goods and services? What is the effect of use which is limited to a part of the registered goods or services? What is the effect of use limited to specific goods or services?*

The registered marks have to be used for all goods and services covered by the registration.

Turkish Group is of the opinion that using the mark in respect of ingredients and spare parts or after sales services and repairs rather than registered goods and services may be considered as genuine use, if the goods and services belong to the same category. However there is no specific provision or any case law in this matter.

The non-use of the registered mark regarding some of the goods and services indicated in the Registry means that the obligation to use of the mark for all the goods and services is not fulfilled. Therefore such mark may be subject to partial cancellation before the court based on non-use.

The use of the mark for only T-shirts under the superior concept of clothing or the use of a mark for only chairs under the superior concept of furniture should be considered as genuine use.

9. *Evidence of use: How does one prove genuine use? Is advertising material sufficient? Are sales figures sufficient? Is survey evidence required? Are the acceptable specimens for proving genuine use different for goods and services? Who has burden of proof for genuine use?*

One proves genuine use through invoices where the mark can be seen on, commercial books and records showing the recordal of these invoices, delivery notes, price lists, photographs, advertisement and promotional material such as catalogues, brochures, press clippings, leaflets, inserts etc. and any other evidence showing the use of the mark.

Advertising material or sales figures alone may not be sufficient to prove the genuine use of a mark alone. However, it is in the discretion of courts to decide whether such documents are sufficient to prove use of a mark alone. The courts are keen to see that the goods/services have reached the consumer.

Survey evidence is not required to prove genuine use of a mark.

The acceptable specimens for proving genuine use are same for goods and services. However, regarding genuine use of a trademark, mark should be put on the goods or on the package of the goods. On the other hand, regarding a service mark, further to the documents mentioned above; examples of evidence of genuine use may be vehicles used for service or work uniforms, hats or pins including a service mark worn by employees and any other evidence, which creates a direct connection between the mark and the good or services.

DL 556 does not provide a specific provision regarding burden of proof for genuine use. Therefore, as a general provision of Law, the Article 6 of Turkish Civil Code is applied in order to determine on which party the burden of proof is. According to the relevant provision, each party has to prove his own claim. With respect to the doctrine and the case law, due to the difficulty of proving negativity in non-use cases, at this point burden of proof is transferred to the defendant (proprietor) and the proprietor has to prove genuine use of a dispute mark by submitting above-mentioned evidence to the court.

10. *If the trademark owner has a proper reason for not having put his mark to genuine use, will he be excused? What constitutes a proper reason for non-use? If the non-use is excusable, is there a maximum time limit? If so, is the time limit dependant upon the nature of the excuse?*

If the trademark owner has a proper reason for not having put his mark to genuine use, he will be excused.

Proper reason for non-use of a mark is not defined in the DL 556.

According to the doctrine and the decisions of the Court of Appeal, a proper reason should be an excuse, which will not depend on the will of the owner of the trademark and which will be impossible to avoid, like a force major.

The conditions stated in the article 19/1 of TRIPS are taking into consideration such as, import restrictions, war, embargo, and extraordinary situation.

For example, according to the decisions of the Court of Appeal, non-use of pharmaceutical marks based on obtaining the official permission constitutes proper reason for non-use since the owner of the mark has to apply for obtaining the subject permission from the Ministry of Health.

Since there is no specific definition of a proper reason, there is also no maximum time limit; however in any case, the owner of a mark should use the mark in five years after the proper reason is removed.

11. *Within which period of time does use have to take place?*

According to the DL 556, Article No. 14; the use of a mark has to take place in five years starting from the date of registration and in any case in five years prior to the date of the non-use cancellation action.

Additionally, use of a mark within 3 months prior to filing of a cancellation action will not be taken into account by the courts considered such action will be filed.

Nevertheless, there is no specific period of time defined in the DL 556, for proving the length of use. It does not depend on the length of the period and depend the intensity and continuity of the use.

12. *Does use of the mark by licensee or distributor constitute genuine use for maintaining protection? If so, does the license have to be registered? If so, are there any requirements to be met by the trademark holder (the licensor) to maintain the trademark (e.g. quality controls, inspections or retaining a contractual right to control or inspect)?*

According to the DL 556, use of the mark with the consent of the proprietor thereof is considered as proper use. In this respect, use of the mark by licensee or distributor constitutes genuine use for maintaining protection. Although the term “consent of the proprietor thereof” is rather vague, on the other hand there are no provisions requiring recordal of a license agreement in order for use by a licensee to inure to the benefit of the proprietor.

Recordal of license is not mandatory and the failure to record a license does not affect the validity of the license. Recording a license is only mandatory in order for the license and the rights of the licensee to have effect against third parties. In order to be on the safe side and to prevent possible cancellation of a registration the Turkish Group believes that a recordal of the license is advisable.

13. *What are the consequences if a mark has not been put to genuine use? Who may apply for a cancellation and in what circumstances? Is a defendant in opposition proceedings entitled to challenge the opponent and demand proof of genuine use of the earlier mark? If so, under what circumstances?*

If a mark has not been put to use within the grace period, the subject mark shall become vulnerable to a possible cancellation action.

However, it is important to mention that the systematic of the DL 556 only allows the cancellation of the mark registration/s to be handled and granted by means of a “cancellation action” before the authorized IP Courts and the Turkish Patent Institute is not authorized to ex-officio cancel/remove a mark registration from the Registry.

The damaged third parties (*who owns the legal interest of filing such cancellation action*), Public Prosecutors, Related Official Institutions are authorized to file a cancellation action due to non-use before the authorized IP Courts.

The defendant in an opposition is not entitled to challenge the opponent and demand proof of genuine use of an earlier mark.

14. *Assuming a trademark owner has not made genuine use of his mark within the prescribed period, can he cure this vulnerable position by starting to use in a genuine way after this period and will he then be safe against requests for cancellation or revocation? Is it allowed to re-register a trademark that has not been genuinely used in the prescribed period of time?*

According to the DL 556, in case no cancellation action based on non-use has been filed, the usage of the subject mark may always be initiated, even after the completion of the non-use grace period of 5 years.

However, if usage of the subject mark has been initiated upon the realization that non-use proceedings are to be instituted by third parties, in such a case the court shall not take into consideration the use that took place within three months prior of the institution of the proceedings.

It is possible to file a fresh mark application and re-register the mark, which has not been put to use during the non-use grace period of 5 years.

II. Proposals for adoption of uniform rules

The Groups are invited to put forward proposals for adoption of uniform rules as concerns the requirement of genuine use for maintaining protection. More specifically, the Groups are invited to answer the following questions:

15. *What should the purpose of the uniform rules be? Should the rules address either or both purposes of protecting the consumers from confusion and of keeping the register uncluttered for new/potential trademark registrants?*

The uniform rules should address the purposes of keeping the register uncluttered for new/potential mark registrants. It should also address the purpose of providing fair competition to avoid registration obtained without an intension of using the mark but with an intension to prevent others to use it.

16. *Should there in your opinion be a threshold to the "genuine use", such as a de minimis rule for a trademark? If so, what would be suitable threshold? Should the rule be construed differently for large co-operations than for small businesses?*

In our opinion there should not be any exact threshold to "genuine use" since the use of the mark cannot always be quantitatively significant for it to be deemed as "genuine use".

In some occasions, we consider that the mark proprietors de minimis use of a mark might be deemed to be sufficient to maintain the proprietors' exclusive rights and registration protection over the mark. With this respect, it is significant to evaluate the subject mark within its own industry. We consider that the threshold for the determination of genuine use may be evaluated according to the nature of the product rather than the economic power of the source (proprietor) or the quantity of

production. For instance, the demand of the consumers to rather expensive and new technological products may be low, compared to those goods, which are inexpensive.

We consider that thereof genuine use may be determined under "special circumstances" but with respect of the nature of the products rather than the economic wealth of the mark owner.

17. *To what extent should it be possible to use a mark that differs from the representation in the register and maintain protection? Should it even be possible to add or omit elements of a registered figurative mark and maintain the trademark? How should the system ensure that registers are reliable for third parties and yet provide some flexibility for the trademark holder when using the mark in commercial activities?*

Use of a registered mark in a form differing in elements which do not alter the distinctive character of the mark should be possible.

Within this scope, to add or omit elements of a registered figurative mark should be possible and permissible.

Since it will not alter the distinctive character of the mark, this system should ensure flexibility in commercial activities for the mark proprietor and also the reliability for the third parties.

18. *Should the requirement of genuine use deemed to be met if the use is limited to one product or service out of several registered? Is it in your opinion reasonable that a trademark holder can "block" an entire product category by using the mark for only one type of product within the category? If not, what kind of standard should be adopted?*

The requirement of genuine use should not deemed to be met if the use is limited only some of the product or service out of several registered. Otherwise the Registry may become an assemblage of non-use marks. Therefore, the obligation to use the mark for all the registered goods and services is not fulfilled and partial invalidity of the mark should come into question.

In order to determine if the proprietor can "block" an entire product category by using the mark for only one type of product, it is important what we should understand from the expression of "product category". In accordance with the example in the 27th heading of guideline, which assumes that similar goods and services as a concept of product category, to "block" an entire product category (e.g. furniture/chair) by using the mark for only one type of product within the category is reasonable.

19. *What would be a suitable grace period for genuine use?*

Turkish Group is of the opinion that five years of grace period is suitable.

20. *What circumstances should justify non-use? Should different criteria apply for different industry sectors (e.g. pharmaceuticals and other industries where authorities typically require particular market approvals which could delay the use of a trademark)? Should the criteria be more stringent the longer the period of non-use is?*

The conditions which are beyond the control of and do not depend on the proprietor, such as the circumstances, which are related with the government and administration, force major should justify non-use, since these kinds of conditions are beyond of and do not depend on the will of the proprietor.

Different and specific criteria should apply for different industry sectors in order to protect the proprietor from losing the protection of the mark and possible non-use cancellation actions.

The criteria regarding the longer period of non-use should not be more stringent. As long as the proper reason exists, the binding criteria will not be necessary.

21. *Should any use of a trademark by entitled third parties be attributed to the proprietor? Should there be a difference between licensees and independent distributors and will registration of a license be necessary?*

Use of a mark by entitled third parties should be attributed to the proprietor since this kind of use is also a proper use and with the consent of the proprietor. For this reason, there should not be any difference between the proprietor's use and entitled third party's use.

There should not be a difference between licensees and independent distributors either. As long as a mark is used with the consent of its proprietor in Turkey, this kind of use should be evaluated as a genuine use of the mark.

Registration of a license should not be necessary. A proper license agreement should be sufficient to prove genuine use of a mark in Turkey.

22. *Should there be an exception from the genuine use requirement in some cases?*

The DL 556 already provides the mark holders the right not to initiate or to suspend the use of the mark for 5 years under the heading of "proper reasons". We consider that there should not be any further exception from the "genuine use".

23. *Should there be uniform rules addressing the issue whether the cancelled trademark should be eligible for re-registration immediately upon the cancellation decision? Should other parties' interests than those of the new registrant be taken into account, e.g. consumers' interests in avoiding confusion as to the nature and quality of goods and services that might be expected under a particular mark?*

There should be uniform rules addressing the issue whether the cancelled mark should be eligible for re-registration immediately upon the cancellation decision.

Other parties interests than those of the new registrant should not be taken into account. Otherwise less people will be interested in filing non-use cancellation action.

SUMMARY

The Turkish Group;

- a. believes that Turkish law requires genuine use of a trademark, within five years after the registration or after the five years grace period is completed, to maintain protection. However, the term “genuine use” needs to be interpreted by case law for common understanding and application in both administrative and judicial level.
- b. is of the opinion that harmonization of national laws is required with regard to use requirement of registered trademarks to have better environment for international trade.
- c. is of the opinion that proof of use requirement is to be promoted in both opposition and infringement proceedings.
- d. believes that use of the trademark in other jurisdictions should sometime satisfy the use requirement, subject to certain conditions as intensity and penetration of the use, location of the jurisdictions where use has taken place, the characteristic of the market, etc.

RÉSUMÉ

Le Group Turc;

- a. estime qu'en vue de maintenir la protection, le droit turc exige l'usage sérieux d'une marque, pendant cinq ans suivant l'enregistrement ou après la fin de la période de cinq ans de grâce. Cependant, le terme de “l'usage sérieux” doit être interprété par la jurisprudence pour une compréhension générale et pour une application au niveau administratif ainsi qu'au niveau judiciaire.
- b. est d'avis que l'harmonisation des législations nationales est nécessaire en ce qui concerne l'exigence d'utilisation pour les marques enregistrées afin d'avoir un meilleur environnement pour le commerce international.
- c. est d'avis que la preuve de l'exigence d'utilisation doit être encouragée en ce qui concerne les procédures relatives à l'opposition et dans la cadre de la violation.
- d. estime que l'utilisation de la marque dans d'autres juridictions devrait parfois satisfaire l'exigence d'usage, sous réserve de certaines conditions comme l'intensité et la pénétration de l'utilisation, l'emplacement de la juridiction où l'utilisation a eu lieu, les caractéristiques du marché etc.

ZUSAMMENFASSUNG

Die Türkische Gruppe,

- a. glaubt, daß das türkische Recht die rechtserhaltende Benutzung einer Marke innerhalb von fünf Jahren nach der Eintragung oder fünf Jahre nach Beendigung der Benutzungsfrist erfordert um den Schutz aufrechtzuerhalten. Der Begriff "rechtserhaltende Benutzung" muss für das allgemeine Verständnis und zur Anwendung sowohl auf administrativer als auch juristischer Ebene von der Rechtsprechung interpretiert werden.
- b. ist der Meinung, daß hinsichtlich des Benutzungserfordernisses der registrierten Marken die Harmonisierung des nationalen Rechts erforderlich ist, um damit ein besseres Umfeld für internationalen Handel aufzuweisen.
- c. ist der Meinung, daß Anforderung an Nachweis der Benutzung sowohl beim Widerspruchsverfahren als auch bei Rechtsverletzung begünstigt werden sollte.
- d. glaubt, daß die Benutzung einer Marke in anderen rechtlichen Zuständigkeitsbereichen gelegentlich den Benutzungserfordernissen, in Abhängigkeit von bestimmten Bedingungen wie Intensität und Eindringung der Benutzung, Ort der Rechtsprechung, wo die Benutzung stattgefunden hat, Eigenschaft des Marktes usw. gerecht werden sollte.