



Court of Appeal: plaintiff lost its right to claim trademark infringement due to silence

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- In a case involving several MESA marks, the Court of Appeal has confirmed that the plaintiff had lost its right to claim trademark infringement due to its silence
- The court applied this principle even though the defendant had not clearly raised it as a defence
- The case highlights that loss of right to sue due to silence is an important tool for defendants in trademark infringement/invalidation actions

Background

The plaintiff, acting as the owner of the trademark MESA and other MESA-formative marks, was established in 1969 and has been operating mainly in the construction business. The MESA trademarks have become well known and trusted in the housing industry (MESA is an original mark which has no meaning in Turkish).

The defendant, which was established in 2011, adopted 'MESA' as the core element of its registered commercial name and applied to register the mark ÖZ MESA REKLAM in 2016 ('öz' means 'essence, core' in Turkish and is commonly used in the Turkish market for rebranding, while 'reklam' means 'advertisement').

In addition to filing opposition proceedings before the Trademark Office (which are not discussed in this article), the plaintiff initiated an action in August 2016 claiming trademark infringement and unfair competition due to the defendant's use of the MESA brand. The plaintiff requested the determination and prevention of the consequences of trademark infringement and unfair competition, as well as the removal of the term 'MESA' from the registered commercial name of the defendant.

In response, the defendant alleged that, although the parties' trademarks have similarities, they are used for different goods and services, and that the plaintiff's trademark is not well known. Therefore, the court should conclude that there was no trademark infringement. Loss of right to sue due to silence was not explicitly raised as a defence.

Decisions at the first, second and third instance

The First Instance IP Court rejected the plaintiff's case, finding that although the parties' trademarks and businesses were similar, the plaintiff had lost its right to claim trademark infringement due to its longstanding silence.

Although the plaintiff alleged that it became aware of the defendant's use of the MESA trademark following the publication of the trademark application for ÖZ MESA REKLAM in 2016, the court dismissed the plaintiff's arguments and concluded that the plaintiff had remained silent against:

- the defendant's use of the MESA mark since 1996; and
- the defendant's use of 'MESA' in its registered commercial name since June 2011 (the date on which the commercial name was published in the *Trade Registry Gazette*).

Thus, the plaintiff could not rely on its rights based on the principle of loss of right to sue due to silence - even though the defendant had not clearly raised this as a defence.

On appeal, the District Court confirmed the legitimacy of the first-instance decision.

Upon further appeal, the Court of Appeal upheld the decisions of the lower courts and dismissed the plaintiff's case. As a result of the Court of Appeal's decision, the case was finalised and the judgment became binding.

Comment

The principle of loss of right to sue due to silence in trademark infringement actions was not explicitly provided for in the (now repealed) Trademark Decree-Law No 556, which was the basis of the present case (it is still not available under the Industrial Property Code No 6769 for infringement cases, but is available for invalidation actions under Article 25/6). However, it has been broadly recognised in the doctrine, as well as in case law.

Therefore, loss of right to sue due to silence has been one of the main defences for defendants in invalidation and infringement cases, and the principle has been applied by the Court of Appeal in its decisions on several occasions.

Although the Court of Appeal rejected the principle of loss of right to sue due to silence in certain case (ie, where the plaintiff's trademark is well known and the defendant's actions were in bad faith), in the present case it decided that there was loss of right, possibly due to the fact that:

- the silence had lasted almost 20 years; and
- the plaintiff's trademark is not widely known among the Turkish public but, rather, is well known among the relevant business circles.

These decisions highlight that loss of right to sue due to silence is still an important principle for the Court of Appeal, as well as a useful tool for defendants in trademark infringement/invalidation actions. Therefore, parties considering initiating an invalidation or infringement action should assess the consequences of the application of this principle and take the necessary actions without delay.

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