Effects of COVID-19 Pandemic on Grace Periods and Use Obligation Provided for Trademarks in Turkey

Effects of Covid-19 pandemic on trademarks' use requirement has been discussed globally and it is also a hot topic in Turkey. In order to discuss its effects, the grace periods provided for trademarks in the Turkish Industrial Property Code ("the IPC") and justified reasons for non-use will be explained first. After giving an outline of the precautions taken against the Covid-19 pandemic in Turkey, we will provide our comments on the matter.

General Information Regarding the Grace Periods and Use Obligation in Turkey

The IPC grants 5 years grace period as from the registration date for trademarks to be genuinely put in use. Within this period, a trademark cannot be challenged for not being used. However, after the completion of this period, a trademark becomes vulnerable against a revocation action due to non-use as per Article 26/1(a) of the IPC. Also, if a trademark that is the basis for the opposition claimed to be similar to the application, is registered for more than 5 years as of the application date (or priority date) of the opposed application, upon request of the applicant, the opponent is asked to prove the genuine use in Turkey on the relevant goods and/or services within the scope of the trademark relied upon the opposition as per Article 19/2 of the IPC. Such non-use defence can also be requested during an infringement (as per Article 29/2 of the IPC) or invalidation action (as per Article 25/7 of the IPC) as well if the trademark that is the basis for the opposition is registered for more than 5 years as of the application action (as per Article 25/7 of the IPC) as well if the trademark that is the basis for the opposition is registered for more than 5 years as of the application action (as per Article 25/7 of the IPC) as well if the trademark that is the basis for the opposition is registered for more than 5 years as of the action's filing date.

When a non-use defence request or a revocation action is at the stake, the trademark holders should provide evidence showing genuine use of the concerned trademark. If they fail to do so, they should submit justified reason for non-use.

Neither the IPC nor its preamble includes further explanations regarding the concept of justified reason. As it is explained in the Proof of Use Guideline ("the Guideline") published by the Turkish Patent and Trademark Office ("the Office"), justified reason is any de facto or legal obstacle that does not result

from the defective behaviour of the trademark holder and that occurs for reasons other than the trademark owners' will and which makes the use of the trademark impossible during the relevant period. The important point is that the obstacle should be serious and be caused by reasons beyond the will and control of the trademark holder. War, economic crisis, embargo, lack of necessary licenses, natural disasters are provided as examples of justified reasons in the Guideline. Also, from the perspective of the Court of Appeal, justified reason must be objective and be applicable for anyone.

In order to discuss whether the Covid-19 pandemic can be accepted as a justified reason for non-use, it is important to provide an outline of the precautions taken in Turkey for this period.

Precautions Taken against Covid-19 Pandemic in Turkey

After the Covid-19 pandemic in early 2020, several precautions were taken in Turkey similarly to the rest of the world[1]. The most related one to our area is that the legal and administrative terms are suspended for the period between March 13, 2020 and June 15, 2020. Within the scope of this suspension decision, the terms relating to administrative actions including oppositions before the Office as well as the court actions to be filed against the Office's decisions are preserved as they were on March 13, 2020 and will continue to be counted as from June 16, 2020 from where it left off.

Also, with the influence of the recommendations of Science Committee (which is constituted by the Ministry of Health), Turkey has been experiencing lockdowns in metropolitans not for more than four days and weekends until now. During these lockdowns, several sectors were still active such as logistics, bakeries, pharmacies, cargo deliveries, etc.

Further, all beauty salons, hairdressers, restaurants (except for take away services), wedding ceremony saloons, theatre saloons, sports centres, etc. were closed by the Ministry of Internal Affairs' instructions[2]. Although several sectors were opened in different phases, there are still serious restrictions decreasing the volume of their activities. Considering lockdowns and such restrictions, online shopping is in great demand and this results in increased workload of cargo deliveries, as expected.

Can Covid-19 Pandemic Constitute a Justified Reason For Non – Use?

From the above given examples, it is certain that Covid-19 pandemic has huge impacts on trademark use in various sectors in Turkey. Therefore, against a possible revocation action or non-use defence allegation, a trademark holder may argue that use volume of the trademark decreased and/or completely interrupted by Covid-19 pandemic in 2020 even for the sectors suitable for online shopping or that are not strictly interfered by the governmental authorities, since genuine use is a must.

Such argument of the trademark holder can be deemed right especially for the first half of the 2020 if the period between roughly March – June 2020 is included in the 5 years period that should be looked at, considering the lockdowns and also that many people preferred to stay home and not buy unnecessary things. However, we do not think that such defence should be accepted automatically.

First of all, 5 years can be considered as a generous and long period. Therefore, use of the trademark before and after the Covid-19 pandemic of 2020 should definitely be questioned in order to examine the matter fairly. Indeed, if the trademark owner is not able to prove genuine use for the period 2016 – 2019 and after mid-half of 2020 as well, but alleges the defence that there was a justified reason for him not to use his trademark in the first half of 2020, such defence should be questionable.

Also, the nature of the goods/services at the stake is important. To illustrate, it is a known fact that sanitary preparations such as disinfectants and protective masks have been consumed more than usual nowadays. Therefore, Covid-19 pandemic may not be accepted as a justified reason for non-use of such goods for the period of 2020. However, effects of the restrictions/decisions of government on trademark use should be taken into account, as well. For example, since the sport centres were closed between March 16, 2020 and June 01, 2020, it may be justified defence that it became impossible to use a trademark on "sport services" within this period and Covid-19 pandemic may be accepted as justified reason for non-use for this period.

Also, as it is mentioned above, all legal and administrative terms are suspended for the period between March 13, 2020 and June 15, 2020 in Turkey. Even if it is not explicitly stated that the grace periods provided in the IPC are also extended – which cannot be done without a legislation change in our opinion - it is advisable to consider this pending period before filing a revocation action due to non-use as a justified period for non-use and if the 5 years period includes the period between those days, it is recommended to file such action after 5 years + 95 days as of the registration date, in order to be on the safe side. Also, in a possible non-use allegation during the opposition, invalidation or infringement proceedings, the holder of the trademark may argue that the mentioned time period of 95 days also suspends the grace period provided for trademarks to put them in use.

However, we should note that there are controversial opinions in IP community on effects of the suspension on use obligation and no official declaration has been published by the relevant authorities until now. Accordingly, we will presumably need to wait a case with such an allegation in order to see how the Office and the IP Courts will react to such defences.