

June 2016

Turkey: Proposed Major Changes by the Draft IP Law

Patents - Industrial Designs Prosecution & Enforcement

Turkey is preparing to change the existing Decree Laws concerning the protection of trademarks, patents, industrial designs and the geographical indications by replacing them with a draft IP Law covering all the aforementioned rights. The draft was released on February 24, 2016 for public consultation until March 04, 2016 and has now been referred to the Parliament for enactment. At this stage, we wish to draw your attention to some major proposed changes of which we will continue to update you.

Patents/Utility Models

A Totally New Stage is Introduced : Post-Grant Opposition

Upon publication of a grant decision, a third party may file an opposition against a granted patent within six months of its publication. Once the opposition is filed, the Turkish Patent Institute notifies and invites the patentee to submit its opinion or to amend its patent application. Both the opposition and the patentee's opinion and amendment are examined by the Board to be established at the Turkish Patent Institute. The composition of the Board and other procedures will be clarified with the implementing regulations.

Biotech Patents

The draft IP Law provides some exceptions to the general concept of biotechnological inventions. According to the draft, simple discoveries of human gene sequences or processes for cloning human beings are stated to be not patentable subject matter. The provision if interpreted *a contrario*, allows the biotechnological inventions which are not falling within the scope of the above-mentioned exception to be patentable.

Second Medical Use Patents

The proposed draft IP Law is silent concerning the patentability of second medical use inventions despite the recent Supreme Court case law ruling that the second medical use inventions are patentable. Turkey acknowledges the protection of second medical use patents which are validated through the European Patent Convention.

Abolition of the Seven-Year Patent System

The draft IP Law abolishes all the provisions with respect to the short term patent of seven years which could be obtained without substantive examination. Under the new regime, it will be compulsory to request a substantive examination, the omission of which will result in the withdrawal of the patent application. It is thereby expected that Turkey will provide a stronger patent framework with improved quality as the utility model system still remains in effect, especially for SMEs.

Utility Model System Re-Adapted

According to the draft IP law, no utility model certificate shall be granted for:

- biotechnological inventions
- chemical processes and products obtained by such processes and for chemical products
- pharmaceutical processes and products obtained by such processes and for pharmaceutical products
- Processes and products obtained by such processes.

The draft Law introduces a compulsory novelty search for utility model applications with the possibility of the applicant filing amendments during the registration proceedings. Post grant opposition will not be available for utility models.

Employee Inventions System for Universities

The draft IP law includes a new provision where the so-called professors' privilege is removed. This means that all inventions made by scientific staff (including regular students as well as PhD students) in their employment function are deemed to belong to the university provided that certain conditions are met. The draft states that the scientific staff will be entitled to claim 1/3 of the total income gained by the patented invention.

Burden of Proof in Process Patents

The current article of the Decree Law causes confusion in practice for the matters where the burden of proof should shift to the defendant. The draft IP Law provides one amendment which removes the contradiction. According to this new text, the court will have the discretion to shift the burden of proof where the infringed process is not related to a new patented product, whereas if the infringed process relates to a new product, the burden of proof will definitely rest with the defendant.

Industrial Designs

Submission of the Description of the Designs

Submission of the description of the industrial design during the prosecution period becomes optional. The description of the designs is not anymore a mandatory requirement to be filed for prosecution purposes and the information provided in the description will not affect the scope of protection.

The Industrial Designs will be Examined for Novelty at the Application Phase

Designs which are not novel will be ex-officio refused. The so called "examination of novelty" stage is expected to be introduced within the formal examination phase of a design application.

Invisible Parts of a Complex Product

The draft IP Law explicitly states that only visible parts of a complex product shall be protected provided that subject visible parts meet novelty and individual character criteria.

Spare Parts of a Complex Product

According to the current provision, three (3) years after the design has first been made available to the public, the owner of a registered design cannot assert its rights regarding a visible part of a complex product provided that the visible part is used for the purpose of repairing and that the visible part is not deceptive as to the source of origin.

The draft Law, while keeping the same provision described above, has introduced a new derogation by stating that the above mentioned three (3) years will not be applicable if the protected spare part design is mentioned among the list of “equivalent parts” issued by the Ministry of Science, Industry and Technology.

Shorter Opposition Period

The post-grant opposition period of six months has been shortened to three months. This will have the effect of reducing the total registration time to less than a year.

Non-Registered Industrial Design Rights

A design will also be protected as a non-registered design right only if the design was first made available to the public in Turkey. The protection term is three years as from the date the design was first made available to the public.

Enforcement of non-registered Designs

Designs which are disclosed to the public in Turkey for the first time shall be protected as a non-registered design for three years as from the date of first disclosure. The rights derived from design protection can be used for non-registered designs to prevent third parties usage of identical or similar of a non-registered design.

Changes Applicable to Both Patents and Industrial Designs

International Exhaustion of Rights

The draft introduces the international exhaustion of rights principle so as to replace the current national exhaustion principle.

Registered IP Rights – No Longer a Valid Defense Against Infringement Claims

It was accepted that the Trademark and Industrial Design rights which have been successfully registered before the Turkish Patent Institute would constitute a legitimate right against an infringement claim unless the registered right is cancelled and removed from the Registry. Such case law caused preliminary and permanent injunction requests to be delayed or rejected until the cancellation of the infringer's trademark or the design right. The Draft IP Law now aims to codify a common provision by which the registered trademarks, patents and industrial design registration rights do not constitute a legitimate defense against any infringement claim brought by the owner of the earlier IP right. The provision will evidently require an intensive clearance search – *even in the existence of a registration*- before utilizing any IP right.

Criminal Provision

While the draft IP Law introduces criminal provisions for trademark infringements, there are no criminal provisions concerning patent, industrial design.