

When Trademark Protection is not Enough

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There comes a time when trademark registrations are not enough to protect a company from infringement.

As everyone knows, best-selling products that are sold under well-known trademarks are always targets and clever infringers can always find a confusing loophole to exploit and thereby skirt around the scope of a trademark protection. In cases in which the infringer does not use a company's trademark and the company does not own any design registration for the package, the case should be evaluated under the unfair competition rules. In recent years, the Turkish courts have rendered many promising decisions on this last point.

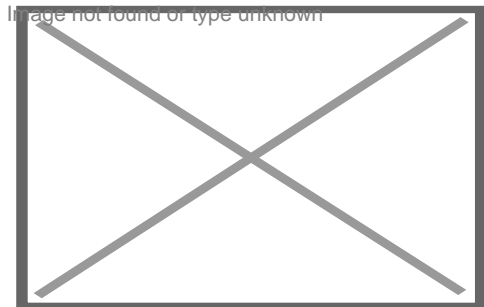
The unfair competition rules, as defined in the Turkish Commercial Code (TCC), have been considered to be life saving by businesses, especially when their infringed-upon rights are not protected under a trademark or design registration.

The TCC provides protection against unfair competition that may occur between competitors, providers and customers and advertisements that are misleading and violate the bona fide principle. Furthermore, the basis of the unfair competition rules lies in the general principles of the Turkish Civil Law: "acting as a prudent businessperson and in a bona fide manner". Therefore, any infringement must be evaluated under these two principles.

Article 55 of the TCC provides a detailed, non-restrictive list of examples of acts that constitute unfair competition. One of the examples, defined in article 55 (1)/a-f, provides companies broad protection when trademark protection is not enough, stating that "to create confusion with others' businesses, business products or activities is unfair competition." Based on this definition, many courts have found the existence of unfair competition in many lawsuits, examples of which can be found below:

Calgon v Peros

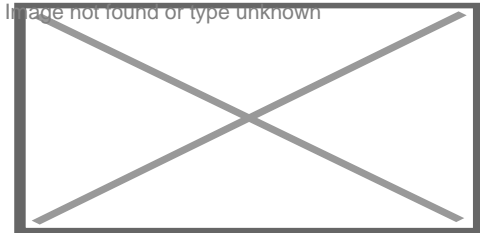
The 11th Civil Chamber of the Court of Appeals affirmed the Court of First Instance's decision where the Peros packaging was found to be confusingly similar to the Calgon packaging: "Although the trademarks are not similar, the packaging is confusingly similar and it creates a likelihood of confusion. Therefore even though there is no specific trademark infringement, there is still unfair competition in this case ..."



Nivea Soft v Rebel Soft

The 11th Civil Chamber of the Court of Appeals affirmed the Court of First Instance's decision where the Rebel Soft cream packaging was found to be confusingly similar to the Nivea Soft cream packaging: "The trademarks 'Nivea Soft' and 'Rebel Soft' are not similar, therefore there is no trademark infringement in this case. Both cream jars are in white, dark blue (navy) and green colors.

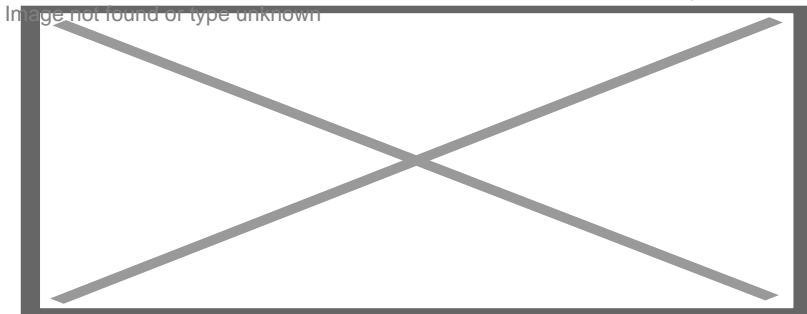
An average consumer might think that the products are manufactured by the same company. There isn't any technical or functional necessity to select the same colors, therefore it can be deemed that the defendant used the package to unfairly benefit from the plaintiff's commercial success. Therefore there is no trademark infringement, but there is unfair competition in this case ..."



Danino v Büyümix

The 11th Civil Chamber of the Court of Appeals affirmed the Court of First Instance's decision where the Büyümix yogurt packaging was found to be confusingly similar to the Danino yogurt packaging: "The packaging is similar enough to mislead the consumer, especially considering that the subject products' consumers are mainly children and the method of placing the subject products on to shelves, which reinforces the possibility of delusion.

Despite a lack of technical necessity, the defendant replaced its former packaging with a new packaging, which was confusingly similar to the complainant's style of packaging. It was decided that replacing the packaging constituted unfair competition since it misled the consumer by being confusingly similar."



Although the above court cases are promising it is important to note that the courts do not protect all infringed unregistered rights. The unfair competition provisions regulate unfair competition acts occurring within Turkey. Therefore, in order to accept the existence of an act that constitutes unfair competition the infringing product should be used in the Turkish market (i.e., the product should be in the market or its packaging should be used).

Taking into account the above court cases, there is always a way to challenge creative infringers who try to skirt around the scope of existing legal protection. Therefore, it can be said that unfair competition rules save lives when trademark protection is not enough.

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