

Turkey Clarifies Use of Intellectual and Industrial Property Rights as Pledges Within Commercial Transactions

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Turkey recently introduced major legislative changes to the pledge and assignment regime, which will facilitate access to finance for SMEs and boosts competitiveness ([more](#)). The new regime addresses uncertainties that had previously arisen about which intellectual and industrial property rights could be subject to pledges during commercial transactions. Accordingly, it is now clear that all intellectual and industrial rights are eligible.

The Law on Pledge on Movables in Commercial Transactions numbered 6750 ("**Law**") was published in Official Gazette number 29871 on 28 October 2016, entering into effect on 1 January 2017. The Law abolishes Law No. 14447 on Commercial Enterprise Pledges.

Previously, legislative wording caused confusion about which intellectual and industrial property rights could be subject to a commercial enterprise pledge. The (now repealed) wording previously referred to "Patents, trademarks, models, pictures and industrial rights such as licenses". In particular, it was unclear whether this included copyright.

The Law addresses uncertainty at Article 5(c) by changing the wording to clearly state that "all intellectual and industrial rights" can be subject to a commercial enterprise pledge from 1 January 2017.

Please see this [link](#) for the full text of the Law (only available in Turkish).

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