



RESPONSES & COUNTER ACTION
by
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MATERIAL FACTS

The client, Ussain Sumolov, has been operating with his registered "SUMOLOV" trademarks in the shoe industry for about 10 years.

The client offers his "SUMOLOV" branded products for sale in "SUMOLOV" stores located in many Asian and European countries particularly England and Mongolia, also in USA and Turkey.



Our Client's "SUMOLOV" branded shoes has reached a certain recognition before the consumers in a short period of time and became a very preferred brand in the course of a decade of business and promotions worldwide.

Our Client's "SUMOLOV" brand is protected before the Turkish Patent and Trademark Office («TürkPatent») in the classes 18, 25 and 35.

The shoe models presented to the market by our client are protected through registration by TürkPatent and our **Client's design no. 2016/915500 dated October 10, 2016** is shown below.





With the warning letter dated March 7, 2018 sent by the **plaintiff – defendant of the counter action («plaintiff»)** to the client from Beyoğlu 32th Notary, the plaintiff has stated that it was determined at CNR Shoe Fair dated March 5, 2018 that the client infringed the plaintiff's trademarks registered before TürkPatent with registration numbers 2012/001907, 2012/1908 and 2012/001909, that the unauthorized uses of the client constituted violation of trademark and design rights arising from IP Code No. 6769 and of financial and moral rights arising from **Intellectual Property Code No. 5846 («IP Code»)** and has informed that if the client does not put an end to these uses and stop sales, it shall file a pecuniary and non-pecuniary damages action and the criminal proceedings will be taken against the client.



Following the warning, the plaintiff has filed this unjust and unlawful action and requested in its plaint petition in summary that;

- The registered design no. 2016/915500 of the client shall be invalidated due to lack of novelty and distinctiveness,
- The violation of the registered trademarks of the plaintiff and the infringement of the rights arising from Law on Intellectual and Artistic Works («LIAW») shall be determined, ceased and prevented,
- The acts of the defendant shall be prevented by preliminary injunction decision, and the access to www.gugulov.com.tr from Turkey should be prohibited,
- The claims for TRY 1,000,000 of material, TRY 100,000 of non- pecuniary and TRY 100,000 of nominal damages shall be accepted according to the articles 29, 149, 150/2 and 150/2-a of IP Code, and the damages shall be increased by 20% pursuant to article 151/4 of LIAW,
- Due to alleged infringement of financial and moral rights arising from the authorship, the claim for TRY 1,500,000 (tripled) of copyright damages and TRY 100,000 of non-pecuniary damages according to article 68 LIAW and this compensation should be collectively collected from the defendants.



OUR RESPONSES REGARDING THE MAIN CASE

OUR PROCEDURAL STATEMENTS

According to the article 29/2 of IP Code, the serious use of the trademark subject to the infringement action during the five-year period before registration – provided it is registered in Turkey for at least five years and on the plaintiff's demand - has to be proven by the plaintiff. The action must be rejected if serious use or valid grounds for non-use have not been submitted.

We make a plea of non-use according to the abovementioned rule, and we request the dismissal of the action based on the trademark registrations which are not used in Turkey, together with injunction and damages claims pursuant to IP Code.



OUR RESPONSES REGARDING THE MAIN CASE

CONCERNING THE MERITS OF THE CASE

1) The uses subject to the case are the legal and based on USSAIN SUMOLOV's registered design with registration no. 2016/915500.

The plaintiff's groundless case must be rejected in the presence of the defendant's registered design.



The decision of 11th Civil Chamber of the CoA with the merit number of 2005/14054, and the decision number of 2007/5387 dated 05.04.2007;

«According to Article 1 of the Decree-Law no. 554 the registered designs will benefit from the protection provided by this Decree-Law , and the unregistered designs will be subject to the general provisions. Article 17 of the same Decree-Law establishes that the right to use of the registered designs belongs solely to the holder of the design right.

In accordance with the Decree-Law no. 554, unless the registered design right has been terminated or is invalidated for the reasons listed in Article 43 of the Decree Law, the owner of the right to design will benefit from the protection arising from the exclusive rights granted for registered designs by this Decree-Law.»



In the case at hand,

Our Client has a registered design which he obtained during the period of the Decree-Law. Our client and third parties authorized by him use the design based on this registration.

Unless this design is invalidated, the respective use cannot be prevented, our client CANNOT BE DEPRIVED OF THE RIGHTS AND AUTHORIZATIONS PROVIDED BY LAW. ACCEPTANCE OF THE OPPOSITE WOULD CONSTITUTE VIOLATION OF THE CLIENT'S PROPERTY RIGHT PROTECTED UNDER OUR CONSTITUTION AS WELL.

Therefore, IT CAN NOT BE SAID THAT THE CLIENT HAS INFRINGED THE PLAINTIFF'S TRADEMARK THE USE OF HIS REGISTERED DESIGN.



OUR RESPONSES REGARDING THE MAIN CASE

CONCERNING THE MERITS OF THE CASE

2) The action of the plaintiff, which is based on LIAW must be rejected since the product design has not the characteristics of a «work».

The «work» is defined in the article 1/b of the LIAW as:

Article 1/B

a) Work: Any intellectual or artistic product **bearing the characteristic of its author**, which is deemed a scientific and literary or musical work or work of fine arts or cinematographic work,

III – Work of fine art:

Article 4

Works of fine art are works with aesthetic value;

4. Handcrafts and small works of art, miniatures and decorative arts products, textile, fashion designs,

It is obvious that every fashion design will not have the quality of work according to the LIAW article 4/4. It is regulated that fashion designs with only "aesthetic value" can benefit from this protection.

We do not accept the claim that the design which is subject to the case is a "work".

IN THIS CONTEXT, WE REQUEST A REPORT TO BE PREPARED BY AN EXPERT PANEL INCLUDING A SECTOR EXPERT.

OUR RESPONSES REGARDING THE MAIN CASE

CONCERNING THE CLAIMS FOR DAMAGES

The claims for damages of the plaintiff are devoid of legal ground and must be rejected for the reasons that;

- their registered trademarks cannot constitute basis for the action since they are not properly used in our country, and it is obvious that the trademarks must be rendered void/cancelled as we will explain below within our statements of counter action,
- the plaintiff has no rights worth protecting according to the LIAW,
- in any case, the compensation cannot be claimed for the same act at the same time based on both IP Code and LIAW and *it cannot be claimed within the scope of the article 68 of the LIAW while requesting prevention of infringement.*



The plaintiff claims three times the fair value of copyright compensation according to the article 68/3 of LIAW.

LIAW art. 68/3 regulates, “price to be claimed when there is a use pursuant to a contract” or “the fair value that can be determined in accordance with the provisions of the law”.

Therefore, the right granted to the plaintiff by LIAW art. 68/3 –which is hypothetical price and the right to request it three times maximum-, is the subsequently granted approval of the alleged infringement of the financial rights and the settlement of the dispute through the establishment of it on a contractual basis.

The decision of General Assembly of Civil Chambers of the CoA with the merit number of 2002/11-1, and the decision number of 2002/214 dated 20.03.2002;

“plaintiff can no longer request the prevention of infringement since it claimed compensation and according to the said provision of the LIAW art. 68, the Court has accepted this claim. Because, since it received the compensation which is 50% overpaid, the result is considered to have been born as if a contract was signed between the parties.”



In this context, if a plaintiff has received the copyright compensation pursuant to LIAW article 68, it is presumed that a contract is signed between the parties for the sale of the subject matter products and the previous uses are legally binding.

It would then be contrary to the procedure and the law to claim material and non-pecuniary compensation for the same act at this time under the provisions of the LIAW.



OUR RESPONSES REGARDING THE MAIN CASE

CONCERNING THE PRELIMINARY INJUNCTION CLAIM

The preliminary injunction claim of the plaintiff is unjust and requires a trial in the merits.

It would be contrary to law to grant a preliminary injunction in a way that will provide the eventual result that the plaintiff aims, without entering into the merits of the case, hearing our defenses, pleas and our statements regarding the counter action.



OUR COUNTER ACTION

A) THE TRADEMARKS REGISTERED IN THE NAME OF THE COUNTER DEFENDANT WITH REGISTRATION NUMBERS 2012/001907, 2012/1908, 2012/001909, MUST BE CANCELLED PURSUANT TO ARTICLES 9, 26 AND THE PROVISIONAL ARTICLE 4 OF THE IPC FIRSTLY FOR NOT BEING USED IN AN UNINTERRUPTED, INTENSE AND SIGNIFICANT WAY.

IPC art. 9

(1) The trademark which is not seriously used in Turkey by the proprietor of the trademark in terms of the goods or services in which it is registered for, without a valid ground within five years as of the registration date or where its use is interrupted continuously for a period of five years, shall be annulled.

(2) Also the following cases will be regarded as use of the trademark in terms of clause one;

a) To use the trademark with different elements without modifying its distinctive character,

b) To use the trademark on goods or packages only for export purposes.

IPC art. 26

Cases of annulment and request for annulment

(1) The Institute shall decide for the annulment of the trademark upon request in the following cases;

a) The presence of the conditions stipulated in clause one of article 9

It has been regulated that the trademark which is not used significantly by its owner within five years from the date of registration without a justifiable reason for the goods and services on which it has been registered or is not used during five years without any interruption would be annulled by the Office.

IPC provisional art. 4

Exercise of the cancellation power by courts

(1) Until the effective date of provisions of article 26, the power of cancellation shall be exercised by courts in accordance with the principles and procedures laid out in the said article.

(2) Cancellation lawsuits being handled by courts at the time article 26 enters into force shall be concluded by courts.

(3) Decisions made by courts in accordance with provisions of the aforementioned law shall be notified to the Institute by the relevant courts on their own motion.

In other words, until the effective date of provisions of article 26, the power of cancellation shall be exercised by courts.



In the non-use actions, the burden of proof changes; and the plaintiff is obliged to prove the local and continuous use of trademark in a serious manner, on the goods/services that it is registered for, with the aim of creating a market share – i.e. in compliance with the purpose of a trademark.



The CoA defined the term “serious use” in its decision dated 17.11.2011, with the decision numbered of 2011/15244 and merit numbered of 2011/11201;

“.. the use of [mark] as a trademark shall not replace the use as a service mark, during the last five years, no significant use has been proven to create a market share on the services in classes 35 and 37 for which the mark has been registered or to ensure that the use of the services referred to in accordance with the basic function of the mark in order to protect the existing market has been proved, therefore, the judgment of the acceptance has been approved on the grounds that the significant use has not been proven.»



The European Court of Justice enlightened the concept of serious use in its precedent AJAX dated 2003.

Accordingly; “the significant use of a trademark is occurred if the trademark is used in such a way as to guarantee the origin of the goods/services in accordance with its basic function in order to create market for the goods/services for which they are registered or to protect the existing market.”



Within this scope, the counter defendant is under the obligation to prove that the trademarks no. 2012/001907, 2012/1908, 2012/001909 - which constitute the grounds of their infringement claims in the main action - have been used sustainably, in an intensive and serious manner since their registered date - February 1, 2013.

If not, it is obvious that the trademarks should be annuled due to non-use.



OUR COUNTER ACTION

B) THE TRADEMARKS NO. 2012/001907, 2012/1908, 2012/001909 OF THE COUNTER DEFENDANT MUST BE INVALIDATED AS PER ARTICLES 5/1 A, 5/1 B, 5/1 E OF THE IP CODE.



2012/001907



2012/001908



2012/001909

IP Code art. 4;

Marks which may be a trademark

(1) A trademark may be composed of any mark such as words, including the names of persons, figures, colours, letters, numbers, sounds and the form of goods or packages, provided that these enable the goods or services of an enterprise to be distinguished from the goods or services of other enterprises and that they may demonstrated in the register in a manner that enables the clear understanding of the topic of the protection granted to the proprietor.



IP Code art.5/1;

Absolute grounds for refusal in trademark registration

a) The marks that cannot be a trademark as per article 4.

In this context, it is essential that trademarks serve to identify the goods in respect of which registration is sought as originating from a particular owner, and thus to distinguish those goods from those of other and shall be capable of providing a explicit and definite understanding of the matter of the protection provided to the owner of the trademark.

IP Code art. 5/1;

Absolute grounds for refusal in trademark registration

- b) Marks which do not hold any distinctive qualification,*
- e) Marks which are mandatory in order to obtain the form or another characteristic arising due to the nature of the good or to obtain a technical result or exclusively comprise the form which gives the real value to the good or another characteristic,*



The above-mentioned trademarks of the counter defendant are comprised of 3D forms. These devices do not have acquired distinctiveness, as there is no use of these in Turkey either.

In this regard, by reserving our request with respect to annulment of the aforesaid trademarks due to non use, the claim of counter defendant is not rightful due to other aspects as well, since it is not possible for these shoe models which are not released to the markets in Turkey, to create an association between the “MOJITO” trademarks and the products bearing MOJITO trademark.

The CoA stated in its precedent dated 05.11.2013, with document numbered of 2013/19707 , with the merit number of 2013/1769 that, the registration of the three-dimensional devices is possible, **only if the form of the products is distinguishable and acquires different and unique features from the ordinary goods in respect of the same/ similar products.**



In precedent Procter & Gamble vs. OHIM (the precedent decided on the joined of the cases numbered T-241/05, T-262/05, T-263/05, T-264/05, T-346/05) CJEU in the Procter & Gamble's decision on a similar products reveals that the colour and design of the washing tablets does not imply a requirement to ensure that the relevant consumer shows the merchant source of the goods when making the decision at the time of purchase, the trademark of which the registration is requested does not have the distinctive character.

In par. 25 of the precedent dated 15.12.2005 numbered T-262 /04, CJEU states that average consumers are not in the habit of making assumptions about the origin of goods on the basis of their shape, or the shape of their packaging.

In the precedent of the General Court of the European Court of Justice dated October 2015 numbered **T-547/13** with respect to the table game named “Rummy“



The Court of Justice approves the reasoned decision with regard to the rejection of the application for registration of the above mentioned device mark belong to company of Romanian originating “**ROSIAN EXPRESS SRL**” on the ground of not differed significantly from the relevant rules and traditions of the relevant industry and to the sales of such games widely in packages made of various materials, including master craftsmen

In the reasoned decision of the afore-said precedent;

*“It is stipulated that under the Article 7(1)(b) of Regulation No 207/2009 ‘trade marks which are devoid of any distinctive character’ are not to be registered; the criteria for assessing the distinctive character of marks consisting of the appearance of the product itself are no different from those applicable to other categories of trade mark, **further, the perception of the relevant public is not necessarily the same in relation to a three-dimensional mark consisting of the appearance of the goods themselves as it is in relation to a word or figurative mark consisting of a sign which is independent of the appearance of the goods which it designates and average consumers are not in the habit of making assumptions about the origin of goods on the basis of their shape, or the shape of their packaging, in the absence of any graphic or word element, and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark**»*



WITHIN THIS CONTEXT, SINCE THE THREE-DIMENSIONAL DEVICE MARK COMPOSED OF GENERAL SHAPE OF **THE SHOE PRODUCTS WHICH ARE NOT PRESENTED FOR SALE IN TURKEY** AND HAS A SHAPE WAS DUE TO THE NATURE OF THE PRODUCT AT ISSUE, CAN NOT BE ASSOCIATED WITH THE PLAINTIFF OR ITS TRADEMARKS IN THE PERCEPTION OF THE CONSUMER. **THE TRADEMARKS OF THE COUNTER DEFENDANT NUMBERED 2012/001907, 2012/1908, 2012/001909 MUST BE INVALIDATED AS PER THE ARTICLES 5/1/a, 5/1/b ve 5/1/e OF THE IP CODE.**



RESPONSES
by
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Trademark Attorney

Evrin Kaşlıođlu
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MATERIAL FACTS

The other defendant Client **Muhterem KABARAN**, conducts e-commerce activities through the website www.gugulov.com.tr.

The plaintiff asserted its claims –without merits to our view-, by issuing a cease and desist letter to the above-mentioned Client as well, and the defendant Client, prior to the filing of this lawsuit, ceased the sales of “SUMOLOV” products as of the date of March 17, 2018 in order not to be a party to a dispute, further closed the virtual boutique belonging to the other Client.



OUR RESPONSES AGAINST THE ACTION

The defendant client who conducts its commercial activities in the capacity of “HOSTING PROVIDER” as per the code on regulation of publications on the internet and suppression of crimes committed by means of such publications no. 5651 and article 4 of appendix of the code of intellectual and artistic works, has removed the related products on the website and stop the sales of them after being notified with the cease and desist letter.

IN THIS REGARD, OUR CLAIMS WITH RESPECT TO LACK OF STANDING / HOSTILITY MUST BE ACCEPTED, FURTHER THE ACTION FILED AGAINST THIS CLIENT MUST BE REJECTED.



The definitions of content providers and hosting providers in paragraph (f) and (m) of the article 2 of the Code numbered 5651 are stipulated as follows;

f) Content providers: Any Person or entity that produces, modifies and provides any information or data submitted to the user over the internet.

m) Hosting providers: Any person or legal entities who provide or operate systems that host services and content,



The liability of content provider is stipulated in the article 4 of the Code no. 5651;

The content provider is liable for any content that is available on the internet, although not liable **for the content belonging to others that is provided by the content provider.** However, in case it is obvious from the format of the presentation that the provider embraces the content provided it and intends by the users to reach the content in question, the provider is responsible as per the general provisions.

The liability of hosting provider is stipulated in the article 5 of the Code no. 5651;

(1) The hosting provider is not obliged to control the content it provides or to investigate whether there is an activity against the law.

(2) The hosting provider, reserving the provisions with respect to criminal liabilities arises from the illegal contents provided by it, shall be obliged to remove the illegal content, if it is technically possible.

The Code of Intellectual and artistic works article 4

«In the event of the rights of authors and related right holders vested pursuant to the code are violated by the data and content providers with the means of signalling, audio and /or video transmission, including digital transmission, the infringed work must be removed from the content, upon the right holder's applications.

The real person/ legal entity whose right are infringed, first applies to the data content provider to stop the violation within three days.

In case of the infringement continues, upon the application made to the prosecutor, it is requested from the service provider to stop the services given to the data content provider which continues its ongoing infringement.

If the violation is stopped, the data content provider is re-served. The service providers submit the list indicates the names of the data content providers to the Ministry on the first working days of each month. The service providers and data content providers are obliged to provide all kinds of data and documents when requested by the Ministry. The terms and principles regarding the implementation of the issues specified in this article shall be determined by a regulation issued by the Ministry.»



**UPON THE NOTIFICATION MADE BY THE PLAINTIFF THE
SUBJECT MATTER ACTS ARE STOPPED IMMEDIATELY.**

**WE HEREBY REQUEST THE ACCEPTANCE OF OUR
OPPOSITIONS WITH RESPECT TO LACK OF STANDING /
HOSTILITY AND THE REJECTION OF THE ACTION HELD
BEFORE THE COURT.**

OUR RESPONSES AGAINST THE ACTIONS

REGARDING THE REQUEST OF PRELIMINARY INJUNCTION

Plaintiff's request regarding the blocking off the domain address www.gugulov.com.tr must be rejected in the following grounds;

- the subject matter activities are no longer continuing,
- the irrevocable damages that will occur if the access to the domain address is completely blocked.

REQUESTS AND CONCLUSION

We hereby request a decision to be rendered as follows;

In respect of the main action:

- Dismissal of the action without prejudice, due to lack of standing in respect of both the defendant-counter plaintiff USSAIN SUMOLOV and the defendant MUHTEREM KABARAN;

In respect of the counter-action:

- Cancellation of the counter defendant's trademarks numbered 2012/001907, 2012/1908 and 2012/001909 on the grounds of non-use within the meaning of Articles 9, 26/1 of the Industrial Property Law,
- In case of rejection of the aforementioned request, invalidation of the same trademarks pursuant to Articles 5/1(a), (b) and (e), 25 of the Industrial Property Law.

Respectfully,

Av Zeynep Seda Alhas

Av. Evrim Kaşlıođlu