

Report Q204

in the name of the Turkish Group
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Liability for Contributory Infringement of IPRs

Questions

1) Analysis of current legislation and case law

- 1) *Does your national law provide for liability for contributory infringement of IPRs, in respect of the offering or supply of means for working an invention, for enabling illicit commercial use of a trademark, for making a copyrighted or design protected product, etc.?*

Turkey has revised its IP legislation back in 1995 by amending the Code of Intellectual and Artistic and Literary Works No. 5846 (hereafter "Code 5846") and introducing series of Decree-Laws for the protection of patents, utility models, trade/service marks, industrial designs and geographical indications with a view to harmonize its IP legislation with the international conventions such as TRIPS, Bern Convention as well as the EU legislation. Thereafter the Code 5846 was amended again in 2001 and 2004.

The Decree-Laws, namely Decree-Law No. 551 on the Protection of Patent Rights (hereafter "DL 551"), Decree-Law No. 554 on the Protection of Industrial Designs (hereafter "DL 554"), Decree-Law No. 556 on the Protection of Trademarks (hereafter "DL 556") and Decree Law No. 555 on the Protection of Geographical Indications (hereafter "DL 555") dispose a fully integrated and coherent body and have parallel structures and provisions. Patent Decree-Law comprises both the patent and utility model protections, thus our explanations on the liability for contributory infringement of "patents" should be understood to cover both patents and utility models for this report. All the aforesaid Decree-Laws have quite similar or even identical wordings on the definition of "infringement" which comprise indirect infringement, injunctive relief and compensation of the damages as well. The definition of the indirect infringement under the said Decree-Laws includes participating, assisting/contributing, inducing or, in any form or condition, facilitating the occurrence of the acts amounting to direct infringement which are specified in the preceding paragraphs of the same articles. Although the act of "supply of means" for making a design protected product or enabling illicit commercial use of a trademark is not expressly stated in the said Articles as an indirect infringement, "supply of means" may be interpreted as an assistance or facilitation for the performance of the direct infringement and consequently may amount to contributory infringement. Especially the phrase of "facilitating in any form or condition" used in the aforesaid article supports the interpretation of the act of facilitating direct infringements in a broader sense.

In contrast to the respective Decree-Laws on trademarks, industrial designs and geographical indications, DL 551 has an additional article, i.e. Article 74, with a title of "Use of Patent Elements by Third Parties" which empowers the right holder to prevent third parties from supplying to persons unauthorized to use the patented invention, means and components which constitute essential part(s) of the invention or render the implementation of the invention

possible. As it can be seen, this article provides a more clear definition to the contributory infringement with respect to patent rights.

Article 74/I of Code 5846 sets forth punishment of the owner or manager or the person who supervises the operation of a business if the infringement to a copyrighted work is not prevented by them, in the event that the direct infringement of a copyrighted work is conducted by the representatives or laborers of a business while they are delivering their services. Similarly, Article 74/II stipulates punishment of the individuals who assign a place or take a role or duty in performance, in illegal public performance of a work knowingly. There are no rules in Code 5846 in relation to offering or supply of means other than the situation foreseen in Article 74/II, which only relates to performance of a work but not making of a work.

On the basis of the above explanations it can be said that all the said Decree Laws and the Code 5846 make a distinction -as foreseen by this question 204- between the acts constituting contributory infringement and other forms of indirect infringement.

- 2) *If so, is it a condition for such liability that the means supplied are actually used by another (the person supplied) for committing acts that amount to direct infringement of the IPR in the same country (or in another country where there is a corresponding IPR)? Are there any additional conditions that apply in such cases?*

The question of whether the indirect infringement and thereby contributory infringement presupposes the existence of a direct infringement -where there should be use of a trademark for illicit commercial purposes or use for making a design protected product – has not been clearly foreseen within the respective provision of the DL 554 and DL 556.

Article 136 (e) of the DL 551, Article 48 (c) of the DL 554, Article 61 (e) of the DL 556 and Article 24 (e) of the DL 555 state that participating, assisting, inducing or facilitating the acts stated in the preceding paragraphs of the same articles, which are as a matter of fact acts constituting direct infringement, amount to indirect infringement. It appears from the texts of these provisions as well as their systematization that the use of infringing products or performance of other acts constituting direct infringement seems to be a pre-condition of all kinds of indirect infringement as well as contributory infringement.

On the other hand, Article 74 of the Patent Decree Law provides the patent owner the right to prevent third parties from supplying to unauthorized persons the means constituting the essential parts of the patented invention and which enables the use of the invention, even before the actual use of the means. Although the act of supplying the means for working an invention is not specified as a contributory infringement under the said article, the right holder is given the right with this provision to prevent such acts before the occurrence of a direct infringement thereby. To conclude, actual use of means by a person to whom the means are supplied with should not be a pre-requisite for the patent right holder to prevent third parties from committing a contributory infringement in Turkey.

- 3) *If it is not a condition for liability for contributory infringement that the means supplied are actually used by another (the person supplied) for committing acts that amount to direct infringement in the same country (or in another country where there is a corresponding IPR), is it then, on the other hand, a condition for such liability, for example*
- *that the means offered and/or supplied were suitable to be put into an infringing use;*
 - *that the means relate to an essential, valuable or central element in the invention or product or service that constitutes direct infringement;*
 - *that the means offered and/or supplied were actually intended for such use on the part of the person supplied;*

- *that the means offered and/or supplied were intended to be put to that use in the country in which they were offered or supplied;*
- *that, at the time of offering and/or supply of the means, the suitability and intended use were known to the supplier or were obvious under the circumstances; or*
- *that, to the extent the means are staple commercial products, the supplier induces the person supplied to infringe directly?*

Are there other conditions? Please respond separately for patents, trademarks, designs, copyright etc., if the rules differ from each area of IPR to the other.

Pursuant to Article 74 of the DL 551 the actual use of means supplied is not a prerequisite for the right holder to prevent the third parties from handing over to persons unauthorized to work the patented invention, components and means related to an essential part of the invention and rendering possible implementation of the patented invention.

Pursuant to the said Article, the right holder can prevent the supply of means to unauthorized persons only if;

- The means supplied constitute the essential part(s) of the invention and render the implementation of the invention possible;
- The means supplied were suitable to be put into an infringing use;
- The means supplied were actually intended for such use on the part of the person supplied and;
- At the time of supply of means, the suitability and intended use were known to the supplier or were obvious under the circumstances.

Should such components be staple commercial products the patent owner can use his rights against the supplier only if the supplier induces the person supplied to use the means for a direct infringement.

Since it is a condition for liability for contributory infringement of other IP rights that the means supplied are actually used by the person supplied for committing acts that amount to direct infringement, this question is not applicable for trademarks, designs, geographical signs and copyrighted works.

4) *Are the rules concerning contributory infringement set out in the laws protecting IPR?*

There is neither any explicit provision relating to the contributory infringement in the Laws and regulations on trademark, industrial design, geographical indications and copyright protection nor there is jurisprudence with this regard.

Although there is a provision under Article 74 of the DL 551, such provision gives the patent right holder only the opportunity to prevent the supply of means to unauthorized persons under some conditions. The said provision neither specifies such act as an infringement nor specifies the consequences of such acts.

5) *If such protection is not set out in the laws protecting IPR, does it follow from generally applicable principles of e.g. tort law?*

Although the case law with regard to the IPRs, especially trademark rights are relatively rich and constantly moving – particularly for infringement issues, there is, nonetheless, no court decision with regard to the indirect and more specifically contributory infringement. The doctrine is also silent on this specific question. Although some authors are of the opinion that the legal qualification of an act constituting an IPR infringement is deriving from the tort law, taking into consideration the conservative approach of the courts in granting injunctive relief

even in cases of direct infringements, our opinion is that in case of a contributory infringement the chance to obtain protection before Turkish courts by relying on the general principles of tort law is quite low.

6) *What are the legal consequences of holding an act to be a contributory infringement of an IPR, in particular:*

- *can the IPR owner obtain injunctive relief to the same extent as in case of direct infringement?*

As explained above, in case there is an act of “supply of means” for working an invention to unauthorized persons, the right holder has the right to prevent such acts of the supplier.

Other laws and regulations on trademarks, industrial designs, geographical indications and copyrights do not have such a specific provision enabling the right holder to prevent such acts and only have general provisions on obtaining injunctive relief in case of an existing or probable infringement of the related IP right. It will be too challenging for the right holder to rely on such general provisions since the courts are already conservative in ordering such injunctions even when the condition with regard to a direct infringement seems to be fulfilled as they have discretionary competence in this matter.

- *can the IPR owner obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer’s contribution?*

Neither of those Decree-Laws includes an exclusive provision on whether the IPR owner can obtain damages and other compensation to the same extent as in case of a direct infringement. Moreover, Article 138 of the DL 551 and Article 64 of the DL 556 list only some of the infringing acts as a condition to request compensation and acts constituting a contributory infringement of a patent or trademark is not listed amongst those acts.

Article 74 of the DL 551 is also silent on this issue and only provides the right to prevent contributory infringement as explained above, but does not entitle the right holder to obtain damages and/or other compensations in case of a contributory infringement.

On the other hand, the conditions to request compensation are differently regulated under the DL 554 and DL 555. Pursuant to Articles 50 of DL 554 and 26 of DL 555, an infringing party who commits any act specified under Article 48 and 24 respectively as an infringement will be liable to compensate the damages incurred by the right holder. Thus, the Turkish Group believes that any person performing an act constituting a contributory infringement as implicitly defined under the above mentioned articles should also be liable to compensate the damages incurred by the right holder due to such infringement. On the other hand, we would like to point out that there is no court decision supporting our view on this issue.

II) Proposals for substantive harmonisation

7) *Should measures generally be available against acts that qualify as contributory infringement of IPRs, as defined in these Working Guidelines?*

The Turkish Group is of the opinion that the measures against contributory infringement of IPRs are as important as the measures available against direct infringements, thus, as defined in the Working Guidelines the measures should generally be available against contributory infringements of IPRs.

8) *If so, what should be the conditions for holding an act to be a contributory infringement of an IPR?*

The Turkish Group supports the view that the use of infringing products or performance of other acts constituting direct infringement should not be a pre-condition for contributory infringement of patent, trademark, geographical indications and industrial design rights. Instead, the conditions we have listed under the third question above should be the conditions for holding an act to be a contributory infringement of the said IP rights. If the suggested amendments will be enacted in the related Decree-Laws, it may be possible to hold the supplier liable in Turkey because of the contributory infringement even though the means supplied to use the invention or to enabling illicit commercial use of trademark, geographical indications or design are used in another country wherein there is no corresponding IPR.

Regarding the copyrighted products in particular, it is considered that the establishment of such procedure would be the hardest considering the fact that the means – that should have been supplied to the direct infringer - are usually too common to be definitely connected to the direct infringement as they are mostly legally available to anybody interested in purchasing them, such as reproduction facilities etc. Accordingly, in case of offering or supply of means of the products, trading of which are legal under the laws of the country, offering or supply of those products can not be considered to be a contributory infringement. However, offering or supply of means that would be used for circumvention of effective technological measures used by authors in connection with the exercise of their rights to restrict acts in respect of their works that are not authorized by the authors concerned or permitted by law, should definitely be considered as a contributory infringement, in case it is concluded that such means are specifically made for those purposes. Therefore, the group thinks that Code 5846 needs amendment with respect to contributory infringement for the conditions described above.

9) *Should the conditions be different for different kinds of IPRs? Why?*

The Turkish Group believes that patents, trademarks, geographical indications and industrial designs require the same conditions for holding an act to be a contributory infringement. The Turkish Group suggest that the conditions for liability for contributory infringement of patents, trademarks, geographical indications and designs and its legal consequences should clearly be regulated under respective Decree-Laws with similar provisions.

Comparing to Decree-Laws on other IPRs, Code 5846 needs introduction of a specific provision for contributory infringements as explained above under question 8.

10) *What should be the legal consequences of holding an act to amount to contributory infringement of an IPR, in particular?*

- *Should the IPR owner be able to obtain injunctive relief to the same extent as in case of direct infringement?*

The Turkish Group is in the opinion that the IPR owner should be entitled to claim injunctive relief against the acts of the contributory infringer as against the direct infringer. Therefore, Code 5846, DL 554, DL 555 and DL 556 should be enacted at least in conformity with Article 74 of the DL 551 that provides the right to the patent right holder to prevent supply of the means to unauthorized third parties.

- *Should the IPR owner be able to obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer's contribution?*

The Turkish Group supports the view that if damage occurs because of the contributory infringement, the compensation the injured party is entitled to should be calculated relative to the contributory infringer's contribution.

11) *Should the legal consequences be different for different kinds of IPR? Why?*

The Turkish Group considers that the legal consequences of contributory infringement of different IPRs should not differ.

12) *Does your Group have any other views or proposals for harmonisation in this area?*

The Group does not have any other view or proposals from the perspective of Turkish Law and practice.

Summary

Turkish Group sees that definition of indirect infringement under the respective Decree-Laws on the protection of patent rights, industrial designs, geographical indications and trademarks comprises contributory infringements as well, although the act of "supply of means" is not explicitly stated under the said definition.

Although the said Decree-Laws have the similar provisions defining the indirect infringement comprising the contributory infringement in general, only the Decree Law on the Protection of Patent Rights has a specific provision empowering the right holder to prevent third parties from supplying to persons unauthorized to use the patented invention, means and components which constitute essential part of the invention and render the implementation of the invention possible.

Where this is the case for the aforementioned IP rights, there is no provision under the Code of Intellectual and Artistic and Literary Works, defining or preventing the contributory infringement as defined under the Working Guidelines.

Turkish Group could not find any court decision on the application of the provisions on contributory infringements of IP rights although there is a specific provision under the Decree Law on the protection of patent rights, thus Turkish Group supports the view that more clear and specific provisions defining the acts constituting contributory infringement of IP rights and setting out the consequences of such infringements should be enacted in order to provide a more efficient protection of the IP rights in Turkey.

Résumé

Le groupe turc a constaté que bien que la définition de la violation indirecte selon le décret-loi sur la protection des brevets, le décret-loi sur la protection des dessins industriels, le décret-loi sur la protection des signes géographique et le décret-loi sur la protection des marques comprend la violation dite "contributoire", le terme "procuration des moyennes" n'est pas explicitement mentionné dans cette définition.

Par ailleurs, bien que ces décret-loi aient des provisions similaires quant à la définition de la violation indirecte -couvrant la violation contributoire-, seulement le décret-loi sur la protection des brevets prévoit une provision spécifique donnant droit au titulaire d'empêcher les tiers d'offrir, aux personnes non-autorisés à utiliser l'invention breveté, des moyennes et des éléments qui constituent la partie essentielle du brevet et rendant l'application du brevet possible.

Par contre, il n'y a aucune provision dans le code du droit de l'auteur définissant ou empêchant la violation contributoire dans le sens défini dans cette orientation de travail.

D'autre part, Il n'ya aucune jurisprudence quant à l'application des provisions sur violation contributoire des droits de propriété industrielle de sorte que le groupe turc est de l'avis que des provisions définissant les actes constituant la violation contributive des droits de propriété intellectuelle plus d'une façon plus claires et plus spécifique doivent être légiférer dans le but d'offrir une protection plus efficace des droits de propriété intellectuelle en Turquie.

Zusammenfassung

Die Türkische Gruppe sieht, dass die Definition der indirekter Verletzung in den Rechtsverordnungen von Patent-, Industriedesign-, Geographische Herkunft und Markenrechten auch die mittelbare Verletzung einschliessen, obwohl es in der erwähnten Definition der Akt die „Beschaffung des Mittels“ nicht ausdrücklich angegeben ist.

Obwohl die erwähnten Rechtsverordnungen im allgemeinen die ähnlichen Vorschriften über die Definition der indirekter Verletzung einschliesslich die mittelbare Verletzung haben, hat nur die Rechtsverordnung über den Schutz des Patentrechts eine ausdrücklichen Vorschrift, welche den Eigentümer des Patentrechts befähigt dritte Parteien von Beschaffung des Mitteln zu unbefugte Personen, von Benutzung der patentierter Erfindung, Mitteln und Bestandteile abzuhalten; die die Hauptbestandteile der Erfindung sind und die die Durchführung der Erfindung ermöglichen.

Obwohl die Situation für oben erwähntes geistiges und gewerbliches Eigentumsrecht der Fall ist, gibt es keine Vorschriften im Gesetz über die Geistige- und Künstliche Werke, die die mittelbare Verletzung, definieren oder verhindern, wie es in den Arbeitsrechtlinien definiert worden ist.

Die Türkische Gruppe konnte keine gerichtlichen Entscheidungen über die Anwendung der Vorschriften über mittelbare Verletzung des geistiges und gewerbliches Eigentums Rechtes finden, obwohl es eine ausdrückliche Regel in der Rechtsverordnung über den Schutzen des Patentrechtes gibt. Daher unterstützt die Türkische Gruppe die Ansicht, dass mehr deutliche und ausdrückliche Vorschriften, welche die Akte von mittelbare Verletzung des geistiges und ggewerbliches Eigentum Rechtes definieren und die Konsequenzen solcher Verletzungen aussetzen, aufgeführt sollen werden, um einen effizienten Schutz des geistiges und gewerbliches Eigentum Rechtes in der Türkei anzubieten,.