

# INVALIDATION OF PATENT RIGHTS<sup>1</sup>

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## SUMMARY

Principles of the EU law on the invalidity of patents and the related treaties on this subject are similar to the provisions of Turkish legislation. But there is no centralized competent court that hears the invalidity disputes. So, the ordinary civil courts of first instance, and the same specialized civil court of first instance if any, is competent to hear both the invalidity disputes as well as the other civil cases.

In a penal case however, the Judge has to find the concrete reality and evaluate the *inter partes* evidence about the patentability of the said invention. This is a limited search for the truth in respect to the alleged offense.

Patent is an expected return on investment made in research and development and an incentive for innovative work. However, the balance between the interests of the right holder and of the community in general has to be considered with utmost care.

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## INTRODUCTION

Unlike copyright law where rights arise *ipso jure*, patents are only granted only upon having complied with a series of formal procedures. The process of registration plays a key role in defining many aspects of patent law and practice.<sup>3</sup> A patent will be granted if (i) it does consist of a patentable subject matter; (ii) it is new (iii) it involves an inventive step and (iv) if it complies with the internal requirements of patentability. That system makes it possible for owner to enjoy monopolistic rights deriving

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<sup>1</sup> This article is not peer reviewed.

<sup>2</sup> Judge. Court of Izmir.

<sup>3</sup> BENTLY, Lionel - BRAD, Sherman; Intellectual Property, 3<sup>rd</sup> edition, 2001 London, p. 341.

from patent. A certain part of these rights are negative rights which give owner the right to hinder others from using the patent without his consent. These are provided in Article 73 of Decree Law N.551 Pertaining to the Protection of Patent Rights, as amended by Law N. 5194 on June 22, 2004. According to this article, patent owner is entitled to prevent following actions of others, if performed without permission.

(i) Production, sale, use, or importation of patented products or keeping them in possession for purposes other than for personal needs;

(ii) Use of a patented process;

(iii) Offers made by third persons to others for the use of a patented process of which the use is known or should be known to be prohibited;

(iv) Putting or sale or making use or importing or keeping in possession for any such purpose other than for personal needs of products directly obtained through the patented process.

Commercial exploitation of third parties can be an infringement if owner did not give his consent.<sup>4</sup>

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It is more difficult to defend and prove the validity of a patent that is granted after an administrative process, and often without substantive examination, than obtaining it. Examinations of the court will be more meticulous and stringent, and shall be based on concrete evidence.

Ottoman Empire was among the first countries in the world that started patent protection of inventions by enacting a patent law as early as 1879. After the proclamation of the Republic, studies were made in Turkey on patent protection and thus the norms on international protection were adopted by joining the TRIPS, by acceding to the GATT, and by signing the Customs Union agreement with the EU.<sup>5</sup>

Invalidation of a patent means, to have a patent unregistered by a court order that would be passed if and when the existence of the conditions provided in Decree Law N.551 Pertaining to the Protection of Patent Rights are established; whereas termination of a patent right means surrender of the patent by the rightful holder either voluntarily or upon expiration of the patent term, or else upon having failed to pay the annual and

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<sup>4</sup> SARAÇ, Tahir; Patent Hukukunda Hükümsüzlük Davaları, İstanbul 2004, p. 1.

<sup>5</sup> KAYACAN, Vildan; İlaçta Patent Korumasının Etkileri ve Korunma Tedbirleri, Ankara 2001, p. 1.

additional fees.<sup>6</sup> Novel inventions that surpass state-of-the art and which are applicable in industry shall be protected by issuing patents. The rights that would have been granted by obtaining a patent are defined as rights which are deriving from patent. These exclusive rights entitle patent owner to prevent third persons from exploiting the invention commercially without patentee's permission. The actions that fall within the scope of such prevention are provided in Article 73 of Decree Law N.551 Pertaining to the Protection of Patent Rights. According to this Article, patent owner can prevent the above mentioned actions and the possession of patented products, for any reason other than personal needs. In this article, the balance between the rights of patent owner and the interests of the public, which is the crucial point in the revocation or annulment of a patent by a judicial panel<sup>7</sup>, will be discussed.

A case for the invalidation of patent is not purely an invalidation dispute. It is at the same time a decision in respect to that particular patent's future, which will have to be enforced. Not only private interests, but also public interest is taken into consideration in accordance with the terms and conditions on patentability as provided in Articles 5-10 of Decree Law N.551. The case will be concluded upon passing of a judgment both on the invalidation and also on the abandonment of the patent<sup>8</sup>. As a result of that case an examined patent may be held invalid within the protection term of 20 years and during the 5 years following this term and; if it is an unexamined patent, within 7 years, starting from its registration, and during the 5 years following this term. However, in Decree Law N.551 there is no article as to when this additional 5-year period starts. Therefore, we can assume that it starts as soon as the protection time ends. Most of the invalidation cases are brought up as counterclaims when patent owners use their deterrent rights that originate from the patent by filing infringement cases<sup>9</sup>.

## **I. REQUIREMENTS OF PATENTABILITY**

Article 5 of Decree Law N.551 sets the norms for the registration of a patent. These are novelty, inventive step as well as industrial applicability

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<sup>6</sup> TEKİNALP, Ünal; Fikri Mülkiyet Hukuku, 3rd edition, Istanbul 2004, p. 568.

<sup>7</sup> SARAÇ, p. 1.

<sup>8</sup> TEKİNALP, p. 569.

<sup>9</sup> SARAÇ, p. 13.

and– as a negative norm– not to have fallen within the scope of a non-patentable subject matter or invention.

a) *Novelty*: Article 7 of the Decree Law defines novelty as “not being a part of the state of the art”. The benchmark for being or not being a part of the state of the art shall be set as of the date of application for the patent. Decree Law seeks an absolute and universal novelty.

It is impossible to deem that novelty exists if the inventive information – written or oral – is accessible to the public in any part of the world before the application date for the patent<sup>10</sup>. However, Article 8 of the Decree Law sets the specific disclosures which are not deemed to have compromised novelty. According to this article, disclosures that are made 12 months before the application or the priority date, by the patentee or others under his control, shall not impact the innovative character of said invention.

290 Technical features, for which protection is sought, should have been sufficiently disclosed in the patent application form in such a manner that would allow public research. Whereas the public is required to be informed, there is no obligation as to confidentiality. Board of Appeal of European Patent Office has held that disclose to the public means disclose to the persons who are skilled<sup>11</sup> in the related field. An Oral disclosure before a certain group of persons, who are not capable of understanding the technical aspects, will not constitute a public disclosure as intended in the Decree Law. That is because such a group would not be unable to reproduce such information before other skilled members of the public<sup>12</sup>.

Novelty requires the invention to be quantitatively different from what has already been disclosed previously; which means that the technical information disclosed by the patent should not already have been made available to the public. In this sense, novelty is different from the requirement that in order to be patentable, an invention ought to involve an inventive step (or be non-obvious); which is basically a qualitative ex-

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<sup>10</sup> KESKİN, Serap; Patent ve Markanın Ceza Normları ile Korunması, İstanbul 2003, p. 43.

<sup>11</sup> T877/90 Hooper-Cell Growth Factor (1993)E.P.O.R. 6,TBA.

<sup>12</sup> TRİTON, Guy; Intellectual Property In Europe, London 2002, p. 88.

amination ascertaining whether the contribution is creative enough to warrant a monopoly<sup>13</sup>.

*b) Industrial Applicability:* The invention should be applicable to all the branches of industry, including agriculture. In this sense, industrial applicability means that the invention is capable of being used in production; but not necessarily generating efficiency. Except for non-technical professionals such as accountants or lawyers, the term of industry must be interpreted in the broad sense<sup>14</sup>.

*c) Inventive Step:* The invention should be a response to the search for a technical improvement in the related technical field of the said invention. If the invention is made as the result of endeavors that cannot be told from the state-of-the-art by a person who is an expert in such art, then it is non-obvious and therefore inventive<sup>15</sup>.

According to EPO precedence (case law), state-of-the-art means all the information that is accessible by the public and it is defined in article 54.2 of European Patent Convention. The first step to decide whether an invention is new or not in respect to the case law, is to define the prior technical art in the related field. Further to this, the invention and prior art are compared in order to find novelty. If the said invention is different from the prior art, then it means it has novelty<sup>16</sup>.

Although Decree Law N.551 does not cite the term of “inventive step”, Article 9 thereof, which is titled “surpassing the state of the art”, can be interpreted as having implied its admissibility in our law<sup>17</sup>. This element proves that the level of the quality of investigating novelty is very high.

However, one can easily say that if an invention is not a part of state-of-the-art then it does have an inventive step; also meaning that if it is new then there is inventive step. According to Article 7 of Decree Law N.551, not being state-of-the-art ought to be taken as a basis in the definition of novelty. Therefore, by taking the concept of inventive step as a point of origin, one can tell if the subject matter of the application is or is not new.

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<sup>13</sup> BENTLY-SHERMAN, p.413.

<sup>14</sup> TEKİNALP, p. 500.

<sup>15</sup> KESKİN, p. 44.

<sup>16</sup> T 123/82, T205/92, T 590/94; Case Law of the Boards of Appeal of the European Patent Office, European Patent Office, 2001, p. 39.

<sup>17</sup> TEKİNALP, p. 500.

*d) Non-patentable Subject Matter and Inventions:* Not all inventions or inventions in all subject matters can get a patent. Subject matters that do not comply with concept of patent; improvements in unethical fields such as gambling; intellectual works without technical features; subject matters which are against public order and public morality; the methods for medical diagnostic and treatment are not patentable. If the subject matter of a patent application consists of discoveries, scientific theories or mathematical methods; intellectual or trading or gambling methods; literary or artistic works, aesthetic creations; non-technical methods of compilation or servicing of data; methods for medical diagnostic or treatment, it cannot be awarded by patent.

European patents must carry also the specific criteria which originate from European Patent Convention. But, the national office can not seek additional requirements for the registration of the patent<sup>18</sup>.

## II. THE CONCEPT OF INVALIDITY

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Although in Article 129/3-4 of Decree Law N.551 the term “annulment” is used along with the term “invalidity”, they are intended to have the same meaning. The ambiguity is unintentional and a result of bad phrasing<sup>19</sup>. As a matter of fact, in Article 112/2-3 of Spanish Patent Law, which is titled as “*invalidation*”, and from which Turkish Decree Law N.551 on the Protection of Patent Rights had been adopted from, the term “*annulment*” is used to mean “*cancellation, revocation*”<sup>20</sup>. This must have resulted from a careless translation.

Although the grounds of invalidation were formulated in general terms, the biggest debates are focused around that concept. So the correct implementation of the rule in a specific suit depends on the courts, tribunals and quasi courts<sup>21</sup>. In patent law litigation, the terms “invalidation” means – as an abstract concept – that the patent is not valid, whereas in practice it implies that it should be unregistered. In other words, what is intended with the term invalidity in patent law is the revocation of the patent by an administrative or a judicial decision taken if and when there

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<sup>18</sup> CORNISH, William R; Intellectual Property: Patents, Copyright, Trademarks and Allied Rights, 4th edition London 1999, p. 173.

<sup>19</sup> TEKİNALP, p. 568.

<sup>20</sup> Spanish Patent Law, [www.jpo.go.jp/](http://www.jpo.go.jp/)

<sup>21</sup> CORNISH, William R. ; Intellectual Property: Patents, Copyrights, Trademarks and Allied Rights, 4th edition, 1999 London, p. 173.

are sufficient legal grounds<sup>22</sup>. According to the territorial registration principal, the decision for the invalidity of a patent can be enforced within the country in which the said patent is registered, and in respect to the matters pertinent such registration. For instance, if a patent is registered in Turkey and in some other countries at the same time, Turkish Court's decision for invalidation shall be enforceable only within our borders and in our national patent office, whereas in other countries, the same patent will continue to be valid despite the judgment of the Turkish Court.

Just as the case with other industrial rights, patent rights are territorial and can only be enforced within the borders of that state. Patent papers are interpreted according to the national law, and protection time period as well as its extension is provided in the national law. As for jurisprudence, also the same national law shall apply<sup>23</sup>.

In fact, protection of all the European patents falls within the scope Article 69 of the EPC. Although this Article assumes that the signatory states would have their own unique and homogenous laws, according to the prevailing opinion, Article 69 does not only suffice by referring to these national laws, but it also has its own independent meaning. Article 69 of the EPC does also apply to the national patents as a unique-uniform legal basis. In conclusion, national courts should refer not only to their national rules and precedence, but they should also consider the deliberations of developed countries to the extent of their relevance, quality and persuasiveness<sup>24</sup>.

According to the Article 32 of TRIPS, the registration that provides patent rights has to be subject to inspection both administratively at the registration phase, and judicially after the patent is granted. In here, the term "judicial" does not refer to the tribunal itself, but to the legal rules that such tribunal should follow. This eventually means that no decision is final and conclusive<sup>25</sup>.

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<sup>22</sup> SARAÇ, p. 4.

<sup>23</sup> BRINKHOF, Jan ; "Cross-border Injunction in Europa and Parallel Infringement", Eposcript, Sept. 2001 EPO Symposium, 2002 Munich, p. 521.

<sup>24</sup> KEUKENSCHRIJVER, Alfred; Extent of Protection – Interpretation and Application of Article 69 of the EPC: German Practice.

<sup>25</sup> TRITON, p. 59.

### III. GROUNDS FOR INVALIDATION

#### A. Regarding National Patents

##### 1) Invalidating Examined Patents

Possible arguments of defense in an infringement case and the grounds for refusal of the invalidation of the patent are closely associated, as infringement of a patent that has been invalidated can no longer be possible<sup>26</sup>. Invalidation can either be adduced as a defense in an infringement case or a separate lawsuit can be filed for it. In Turkish Patent Law possible grounds for invalidation are as follows.

*1- Proving that the conditions for patentability, as provided in article 5 to 10 of Decree Law no: 551 are not met.*

Such a lawsuit can be filed against a patent that had been registered despite having failed to meet one or more of the conditions for patentability. Lack of inventive step and novelty are the arguments that are most frequently adduced for invalidation, because both of them are objections of strategic value which are raised against patents<sup>27</sup>. In the meantime, it must be stated that in German law, invalidity cannot be brought up as a defense in the same court that hears the infringement case. Whereas infringement cases are heard by civil courts of first instance, invalidity cases are heard by federal courts (*Bundespatentgericht*). The judge who tries the case for infringement can interpret the subject matter of the patent, but he shall be bound by the claim and the patent<sup>28</sup>. However, there is no such distinction regarding jurisdiction in the legal systems of the other European countries.

*2- Lack of sufficient and clear explanation in the petition that can be comprehended by any person who is skilled in the art.*

If an industrially applicable invention is not properly defined in the patent application form, then the requirements of the lawmaker will not have been materialized. There is no difference between a patent that is not sufficiently disclosed and a patent that is not applicable to industry. Pub-

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<sup>26</sup> ŞEHİRALİ, Feyzan; Patent Hakkının Korunması, 1998 Ankara, p. 193.

<sup>27</sup> FİRTH, Alison, PHILLIPS, Jeremy ; Intellectual Property in Europe ,4th edition, 2001 England, p. 102

<sup>28</sup> MARSHALL, Hans; Patent Rights on German Law, translated by ÇOLAK, Uğur, FMR, 2005/2, p. 62.

lic interest will not have been served by granting patent to such an invention. On the contrary, by doing so, the path to further developments will have been blocked. That was the rationale behind the adoption of Article 129/1-b of Decree Law N.551 pertaining to the Protection of Patent Rights<sup>29</sup>.

Since entitlement to exclusive monopoly depends on sufficient disclosure, granting the same to those inventors who refrain from making such disclosure and thus press the advantage of secrecy in order to avoid the possibility of having their competitors manufacture their invention would not be appropriate. However, patent owners do still have an ace up their sleeves. The scope of this obligation to disclosure is about the provision of a model that would be good enough to manufacture the invention or to make it work. The patentee is not obligated to disclose the information on how to best operate the invention for optimum efficiency<sup>30</sup>.

*3- If the subject matter of the patent goes beyond the scope of the application.*

Invalidation can be claimed for that part of the patent, which according to Article 129/1-c of Decree Law N.551 pertaining to the Protection of Patent Rights goes beyond the scope of the original application. If the court finds this claim valid, then it will decide for the partial invalidation of the patent, and remaining part of the patent that is not invalidated will survive.

*4- Violation of the principle on the unity of invention.*

If an application includes more than one invention that do not realize around a principal inventive idea of general nature and which are not related to each other by said principal inventive idea, each one of these disassociated inventions might be subject to an invalidation case<sup>31</sup>. In fact, according to the Article 45 of Decree Law N.551 pertaining to the Protection of Patent Rights, a patent application may contain one principle invention and one or more related subordinate inventions around it. If those inventions are of independent nature and are not related with one another, the patentee cannot be granted one single patent for all of them,

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<sup>29</sup> TEKİNALP, p. 570.

<sup>30</sup> FİRTİH-PHILLIPS; p. 102.

<sup>31</sup> YURTSEVER, Şaziye; Patentın Hukuki ve Cezai Korunması, Ankara 2005, p. 108.

as is explained in Article 129/3-4 of Decree Law N.551 pertaining to the Protection of Patent Rights<sup>32</sup>.

*5- Invalidation upon usurpation of patent right.*

“The person who is the first to apply for a patent shall be vested with the right to request the patent until proof to the contrary is established” says Article 11/4 of Decree Law No: 551 pertaining to The Protection of Patent Rights. Depending on the system the country might have adopted, the patent is given either to the *first to file* or to the *first to invent (real inventor)*. Turkey did adopt the latter, just as the other EPC members had done. Article 11/1 of Decree Law says: “*The right to a patent shall belong to the inventor or to his successor in title and shall be transferable.*”

However, prior to the adoption of Decree Law N.551 pertaining to The Protection of Patent Rights, the superseded Patent Law had upheld the *first to file* system. In the *first to file* system, the real inventor cannot claim the transfer of the said patent to him<sup>33</sup>.

Inventor or his successors might argue that patentee had no right to claim a patent according to Article 11 of Decree Law No.551 pertaining to The Protection of Patent Rights. In that case the provisions Article 12 of Decree Law No.551 pertaining to The Protection of Patent Rights shall be implemented<sup>34</sup>. If the real inventor does, in an invalidation case, claim transfer of the patent as per Article 13 of Decree Law No.551 pertaining to The Protection of Patent Rights, the existing patent shall be invalidated and a new patent shall be granted to the real inventor. According to Articles 12 and 13 as well as 129/1-d of Decree Law No.551 pertaining to The Protection of Patent Rights, lawsuit for usurpation should be filed together with the claim for invalidation<sup>35</sup>.

## **2) Invalidating Unexamined Patents**

In principal a patent can, within the framework of Decree Law No.551 pertaining to The Protection of Patent Rights, be granted upon the conclusion of an examination process. However, since investigation and examination is time consuming and costly, and also because many inven-

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<sup>32</sup> TEKİNALP, p. 571.

<sup>33</sup> TEKİNALP, p. 506.

<sup>34</sup> ŞEHİRALİ, Feyzan; p. 194.

<sup>35</sup> TEKİNALP, p. 571.

tions can be evaluated only after having been launched in market, the lawmaker had adopted, as an exceptional option, a system of granting unexamined patents. An argument in favor of the unexamined patent system is that it allows the patentee to avoid the examination fees for a certain period (7 years) – which also happens to be the protection period – and thus buying him time to decide whether the invention does indeed worth production<sup>36</sup>.

When an unexamined patent does not carry the requirements of patentability, it can be challenged by filing a lawsuit for its invalidation just as the case with an examined patent is. In spite of this logical inference, according to Article 70/2 of Decree Law No.551 pertaining to The Protection of Patent Rights, “The lack of novelty or of inventive activity/step of the patent granted without (substantive) examination shall not constitute the subject of such objection”. So, one can say that any application for an invention that does not meet the requirements for patentability might as well be concluded by the award of an unexamined patent if Turkish Patent Institute has not determined such shortcoming<sup>37</sup>. However, the purpose of this Article is to prevent the objections against unexamined patents at the administrative phase, in response to the needs of the industry and market. It goes without saying that, whilst a substantively examined patent can be challenged in a lawsuit for invalidation, unexamined patents can *a fortiori* be subject to such a judicial scrutiny.

High Court of Appeal did, in one of its judgments, also conclude that a lawsuit could indeed be filed for the invalidation of an unexamined patent<sup>38</sup>.

### 3) Invalidating Utility Models

Utility models, or as the French call them the *petit patents*, do also serve the same purpose as the patents do, and therefore are subject to the same legal rules<sup>39</sup>. Apart from patent though, the requirement of ‘surpassing state-of-the-art’ shall not be sought for the utility model. However, in my opinion, a technical innovation should anyhow be deemed to have sur-

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<sup>36</sup> SARAÇ, p. 11.

<sup>37</sup> SARAÇ, p. 11, YALÇINER, Uğur; “Türkiye’de Patent ve Faydalı Model Uygulamaları”, Symposium on effective enforcement of IP rights in Turkey.

<sup>38</sup> 11th Civil Law Chambers of Court of Cassation, 25<sup>th</sup> of April 2002, 2002/81-3895.

<sup>39</sup> Art.1 of Decree Law 551 pertaining to The Protection of Patent Rights.

passed state-of-the-art<sup>40</sup>, and if it is to be entitled to utility model application, it has to be new, which also means it has got to be inventive. On the other hand, the provisions of Article 166 of Decree Law No.551 pertaining to The Protection of Patent Rights says, “*In the absence of provisions specifically applicable to utility model certificates, the provisions pertaining to patents as set forth in this present Decree-Law shall apply likewise, for utility model certificates, provided that they are not incompatible with the characteristic of utility model certificates*”. Absolute novelty is also a must for utility models<sup>41</sup>.

The rules and procedures for the invalidation of utility models are provided in Article 165 of Decree Law N.551 pertaining to The Protection of Patent Rights, which happen to be the same with those that apply to the invalidation of patents. Until the Constitutional Court’s had revoked<sup>42</sup> Article 165/3<sup>43</sup> of Decree Law N.551 pertaining to The Protection of Patent Rights, there was a restriction regarding the challenge of the validity of a utility model. Lawsuit for the invalidation of a utility model had to be filed within three months after the publication of the announcement of the application.

## 298 **B. In Respect to European Patents**

By having been granted a European patent, the applicant will have obtained a “bundle” of national patents for the states designated in the application. Contracting states can stipulate that the owners of European patents should be required to provide translations into the official language of that particular state, and that should they fail to do so, the patent would be void *ab initio* in the relevant state<sup>44</sup>.

The essential features of European patents are that they provide protection for a period of 20 years starting from the date of filing of the application and; that they are granted for inventions which are new, which in-

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<sup>40</sup> Art.154 of Decree Law 551 pertaining to The Protection of Patent Rights.

<sup>41</sup> Art. 156. of Decree Law 551 pertaining to The Protection of Patent Rights.

<sup>42</sup> Constitutional Court, 23<sup>rd</sup> of March 2004, 2001/1-2004/36.

<sup>43</sup> Art. 165/3 “*.In order to qualify to request the invalidation of the utility model certificate, third parties suffering damage/prejudice and the interested official authorities/bodies must have raised opposition in compliance with the provisions of Article 161*”

<sup>44</sup> TRİTON, p. 143.

volve an inventive step and which are susceptible of industrial application<sup>45</sup>.

A European patent may only be revoked under the law of contracting state, which will be effective only within its territory.

If revocation of a European patent is brought as a matter of objection before EPO within the provided time period, the decision can be evaluated in a way that would be effective in all the countries in which protection had been requested. According to Article 99 of EPC, any person can object to a granted European patent before the Board of Appeal, and then can further file another objection against the decision of this board, before the Enlarged Board of Appeal as a kind of appeal procedure. The Board of Appeal or in next phase, the Enlarged Board of Appeal shall take a decision for or against revocation the European patent. All of the evaluations at these phases have judicial characteristics. As a matter of fact, the Boards do held hearings, listen to witnesses, require the parties submit information and documents, and consult to experts<sup>46</sup>. There are three different Appeal Boards; Technical Board, Legal Board and at the top level, the Enlarged Board of Appeal<sup>47</sup>.

Our country has been a member of EPC since November the 1<sup>st</sup>, 2000. From that date onwards, the Convention enables us to adopt all the patents examined by EPO and designated for Turkey valid as national patents which granted in Turkey. Invalidation of a European patent can be requested by (1) filing an objection within 9 months starting from the date of publication of the patent in the EPO bulletin, or (2) filing a lawsuit for the invalidation of the patent before a competent Turkish court. If EPO concludes that the grounds for objection as mentioned in Article 100 of EPC did indeed prejudice the European patent, it shall revoke it partly or completely in all designated countries. Invalidation of a European patent can also be brought to the attention of a Turkish Court. If the Court decides for the plaintiff and invalidates the patent, this decision shall be enforceable only in Turkey, and patent will survive in the other designated countries<sup>48</sup>.

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<sup>45</sup> TRİTON, p. 85.

<sup>46</sup> EPC Art. 116,117.

<sup>47</sup> EPC Art. 21, 22.

<sup>48</sup> SARAÇ, p. 13.

At the national phase of the procedures, in other words after registration of European patent for any designated country, decision for its invalidation can only be taken in the event of the lack of the conditions provided in Article 138 of EPC, only to be enforceable in that particular country<sup>49</sup>.

#### **IV. THE COURT THAT IS COMPETENT IN THE MATTER OF INVALIDATION AND WITH JURISDICTION**

According to Article 146 of Decree Law n.551 pertaining to The Protection of Patent Rights, all patent disputes mentioned in this Decree Law shall be heard by specialized civil courts of intellectual property<sup>50</sup>. In an invalidation case, competency is not clearly stated in the relevant section of Decree Law. However in article 137 thereof, the competent court in the actions by third parties against the patent owner is defined as follows; *“The competent court, for the institution of legal proceedings, by the proprietor of a patent against third parties, is the court of the domicile of the plaintiff or of the place where the offence was committed or of the place where the act of infringement produced effect”*. From the technical perspective, this provision has been incorrectly formulated and does not agree with the rest of the law<sup>51</sup>. Besides, when a lawsuit for the invalidation of a patent is filed as a counterclaim in an infringement case, it shall be held in the same court that hears the infringement claim.

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A lawsuit for the invalidation of a patent can be filed throughout its protection period and within 5 years after it expires<sup>52</sup>.

#### **V. PARTIES TO THE CASE**

Persons who are adversely affected/prejudiced or interested official authorities, acting through the Public Prosecutor, may request from the court the invalidation of a patent. Moreover, validity of a patent may also

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<sup>49</sup> ORTAN, Ali Necip; Avrupa Patenti Sistemi, V.1, p. 195, Institute of Bank and Trade Law Search, Ankara 1991.

<sup>50</sup> Art. 145 *“Special courts to be established by the Ministry of Justice shall have jurisdiction for all of the actions and claims provisioned by this present Decree-Law...”*

<sup>51</sup> SARAÇ, P. 16.

<sup>52</sup> TEKİNALP, p. 570.

challenged by the persons who are entitled to claim the right to the patent<sup>53</sup>. The provision that shows plaintiffs is not of restrictive nature.

However, for lawsuits that are filed in accordance with Article 129/1-d<sup>54</sup> of Decree Law N.551 pertaining to The Protection of Patent Rights, only certain persons are entitled. This provision is intended for the lawsuits that would be filed by the real inventors and their successors against the usurper.

Any real person or legal entity who is prejudiced or under the risk of that may be “prejudiced person” or the person who under the restriction of using a known patent and be plaintiff<sup>55</sup>. The balance between the inventors’ rights and the interests of the public in the patent law has been considered by granting time limited exclusivity to the inventor in exchange for disclosing his technological innovation to the public<sup>56</sup>.

## VI. EFFECTS OF THE JUDGMENT OF INVALIDATION

The judgment that rules the patent invalid shall have retroactive effect. Thus, within the context of invalidation, the legal protection secured for an application for patent or for a patent under this present Decree-Law shall be deemed not to have been borne at all. However, there are exceptions to this rule, which are stated in article 131. These are the situations that are exempted.

- a) Any final decision for infringement of the patent reached and enforced prior to the decision of invalidity;
- b) Contracts concluded and executed prior to the decision of invalidity. However, reimbursement, in whole or in part, of sums paid under the contract may be claimed on grounds of legitimate reasons and of equity to an extent justifiable by the circumstances.

Still however, in the event of termination for default of payment of patent fees, upon expiration of the term of protection, and upon the surrender of the patent by the patent owner, there is no retroactive effect.

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<sup>53</sup> Art. 130/1 and 11. of Decree Law 551 pertaining to The Protection of Patent Rights.

<sup>54</sup> Art. 129/1-d “where evidence is brought in that the holder of the patent does not have the right to a patent in accordance with Article 11.

<sup>55</sup> TEKİNALP, p. 569.

<sup>56</sup> SARAÇ, Tahir; Patente Tecavüz ve Patent Hakkının Korunması, Ankara 2003, p. 38.

## VII. DILATORY QUESTION

Establishment of the infringement; prevention thereof and/or; damages there from are contingent upon the resolution of the counterclaim for invalidation or other disputes for which separate lawsuits have been filed<sup>57</sup>. If a patent or utility model is invalidated by a court order, it will no longer be possible to adduce past infringements because of retroactive impact of the said judgment.

If in a criminal patent infringement case the accused person argues that patent was invalid, it is not clear whether the criminal court should examine this defense. The general rule is that in any criminal case the judge should endeavor to discover the concrete reality and the facts, and that he shall have the right to evaluate - *inter partes* - the available evidence about the patentability of the said invention. However, this shall still be a limited search for the truth. The judge shall *ex-officio* collect the available evidence about the lack of novelty, inventive step of said patent etc. All evidence should be collected and freely examined by the criminal judge in order to have the elements of crime evaluated<sup>58</sup>.

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In respect to a criminal case for patent infringement, there is no reason for the judge not to follow the general principle of the criminal law and his moral sense. He must review the claim and the evidence, e.g. expert witnesses, the reports about invalidity. Article 218 of Penal Procedure Law that is titled “ancillary competency of criminal courts” does already entitle the judge to do this. If evidence that is collected in the criminal case proves that the invention lacked the necessary elements which should have been sought for before granting the patent or the utility model, the judge shall, *inter partes*, give his verdict by also assessing the criminal intent, and decide for the acquittal of the accused, because patent protection would not be possible. So in the criminal case the judge shall not resolve the invalidity problem, but he shall review the issue of patentability only to the extent it would be necessary for him to be able to give his verdict. However, if there is a pending invalidity action in the civil court, then judge will have to wait for the decision of that civil court and thus adopt it.

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<sup>57</sup> 11th Chambers of Court of Cassation, 15 February 2005, 2004/449-2005/1212.

<sup>58</sup> KUNTER, Nurullah; ; Muhakeme Hukuku Dalı Olarak Ceza Muhakemesi Hukuku, 7. Basi, İstanbul s. 458.

## CONCLUSION

Whereas granting of patents is needed in order to support scientific and technological improvements and inventions, on the other hand the genuine interests of those who are affected by the exclusive rights of the patent owners must also be considered. That is why we need the invalidity action to maintain this delicate balance. It is a known fact that some patent owners might be in bad faith and be using patent for uncompetitive purposes.

Therefore, decisions for the invalidation of patents must be supportive of industry and not unrightfully prohibitive. There must be specialized lawyers, judges, public prosecutors as well as expert witnesses who are engaged in this field and who deal with the different aspects of patent protection such as applications, objections, substantial examination etc.

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