

Chapter 4

INDUSTRIAL PROPERTY RIGHTS AND THEIR ECONOMIC SIGNIFICANCE: ANALYSIS OF THE CURRENT SITUATION IN TURKEY

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INTRODUCTION

The concept of industrial property is a sub-category of intellectual property. Usually, intellectual property refers to ideas and products that are the creations of human mind and mental creativity (WIPO, 2018a). Intellectual products based on creative processes are among the most important assets of today's economies. Therefore, the protection of intellectual property is of importance for the inventors. This is because once a product is developed, each additional product unit will be produced according to constant returns to scale. This being the reason, the intellectual property rights system is the legal mechanism that allows investors to obtain some of their inventions as profit. In the absence of a patent and intellectual property system, competition stemming from imitation eliminates the incentive for creative ideas (Jones, 1998).

Violations of intellectual property rights (IPR) are increasing due to advancing technology and day after day, this situation further highlights the importance of the protection of intellectual property rights. The importance given to IPR in a country is indicative of that country's level of economic development. Moreover, IPR protection depends on the legal infrastructure of countries (Braga et al., 2000). Countries with strong legal infrastructure have a tendency for faster economic growth. In addition, the policy reforms of many developed countries related to IPR have made it possible to keep the tools to protect these rights on the agenda through the formation of new technologies and to spread the intellectual products on an international scale within the process of globalization. Thus, the intellectual property policies implemented by countries play a crucial role in an endeavor to accelerate economic growth and reduce poverty (Maskus, 2004).

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foreign trademark decreased by 39.05 %.

- When the total number of trademarks is taken into consideration in 2013-2017, USA ranks first and Germany has the second place.
- Although the number of design and registration applications increased in Turkey in the years between 2013-2017, the numbers in 2017 have not yet reached the numbers of 2013.
- According to the 2017 statistical data published by WIPO, the total patent application in the world was 3.17 million while the utility model applications were 1.76 million. Trademark trade activity worldwide reached 12.39 million, industrial design exceeded 1.24 million. China carries out almost half of the industrial property activities on its own.
- In the ranking (domestic and foreign) of total intellectual property filing activities in the world, Turkey ranked 22nd among 123 countries, ranked 10th in trademark activities and 7th in design activities.

Although industrial property activities have been exhibiting a fluctuating course in the last five years, it is observed that this upward trend continues. It is observed that in Turkey, there has been an increase in the number of patent and utility model applications in terms of units, if not by percentage and that the subject has now been given more importance. This case is also reflected on the activity rankings in the world. Therefore, the recent increase in the industrial property rights activities in Turkey is noteworthy. We may say that there is a lot more for Turkey to achieve on a global scale in terms of trademark and industrial design activities and to be more productive accordingly. This being said, it is necessary to allocate more resources to R & D activities, to give importance to human capital education and to implement policies that will strengthen the institutional and technological infrastructure.

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