

Newsletters

Deep & Far Newsletter 2012 ©

Publicly Available Data

Effective from December 1, 2011, prosecution materials for a patent application under the reexamination stage are available from the website of TIPO. The meaning of the reexamination stage is something unique under the Taiwan patent system since there are two examination stages for a patent application before TIPO, namely the preliminary stage and the reexamination stage respectively performed by two different examiners. Before receiving a formal first office action, the applicant would receive at least one pre-notification of the first office action. Likewise, as long as enough politeness is exercised in the response, the applicant might receive more than one pre-notification of the second or final office action. Thereafter, the procedure goes out of TIPO and into the appeal stage. From this availability of prosecution materials, opponents or competitors would be able to submit combating materials for reference by TIPO.

New Trademark Law and Its Enforcement Rules

After last amended in 2003, the Trademark Law was further amended on May 31, 2011, promulgated on June 29, 2011 and to be effective as of July 1, 2012. A sound English translation of the Trademark Law could be found at <http://www.deepnfar.com.tw/word/Trademarklaw 4.doc>. We would like to report the major amendments in the following:

1. A trademark could be put in a dynamic state or holograph;
2. Although odor is not in the list of the amended Article 18(1), it could be filed after enforcement of the amended law although it could not be provided in the new Articles 106 and 107 as the dynamic state or holograph is;
3. It is made possible to claim multiple priorities, to allow priority claim from an applicant having a residence in a member of Paris Convention, and to allow exhibition priority claim;
4. It is an insubstantial change if to delete a pure informational part or a portion of a trademark having a likelihood of causing mistake or misbelief to the public as to nature, quality or place or origin of goods or services;
5. In Article 29(1)(1), a clause “merely constituted by a mark having otherwise indistinctiveness” is added so that the Trademark Office could find a base for rejection in some instances;
6. Disclaimer was used to solve the problem of having a descriptive or indistinctive component but is now required only when there is a doubt as to the protecting scope of a trademark having an indistinctive part;
7. An apparent improperness is excluded from co-existence for trademarks as presented in Article 30(1)(10), stipulating “identical or similar to another person’s registered trademark or earlier filed trademark of identical or similar goods or service, thus likely causing the public to confuse or mistake provided that this shall not apply subject to consent to file from the owner of the registered trademark or earlier filed trademark, which is not apparently improper”;
8. Bad faith registration is explicitly prohibited by Article 30(1)(12) stipulating “identical or similar to another person’s earlier used trademark on identical or similar goods or service where the applicant retains contract, place connection, business dealing or other relation with said another person to know existence of said another person’s trademark for filing registration through intentional imitation, provided that this shall not apply subject to consent from trademark owner”;

mark owner to apply for registration”;

9. Under Article 38(3) stipulating that “where a registered trademark is involved in an opposition, cancellation or repeal application, the petition to divide the trademark rights or reduce designated goods or services shall be made before the involving application is decided”, the dividing opportunity is limited because the last clause in the law before amendment is ‘before the involving application is *irrevocably* decided’;
10. Delay in paying the registration fees is conditionally rescued by Article 32(3) stipulating “unintentionally failing to effect the payment in the period provided in the preceding paragraph, the trademark dedicated office shall conduct the publication after the applicant pays double registration fees within 6 months after expiration of the period, provided this shall not apply if it affects a third party to apply for registration or obtain trademark rights in this period”;
11. The system for paying the registration fees in two installments is abolished since it not only does not arrive at the goal of phasing out trademarks of shorter lifecycles, but also risks the trademark owner to pay the registration fee in time;
12. It is made clear that the exhaustion rule is applicable to either the domestic or international market;
13. It is made clear what a reasonable use of a trademark is by Article 36(1)(1) stipulating “expressing, through a means complying with business transaction customs in good faith, one’s own name, title, or name, shape, quality, property, characteristic or place of origin of goods or service, or other descriptions of goods or service per se, not used as a trademark”;
14. Limitation of cross opinions in the dispute proceedings in order to urge an earlier resolution is added by Article 49(3) stipulating “where arguments or stating opinions submitted under the preceding paragraph is likely to delay the proceedings, or the fact and evidence have become evident, the trademark dedicated office may straightforwardly examine the opposition without notifying the opposite party of arguments or stating opinions”;
15. For invalidation, unlike the current law, a basing registration needs to produce proof of actual use in relevant goods or services under the new Article 57(2) stipulating “where an invalidation of a trademark registration is petitioned before the trademark dedicated office based on violation of Item 10 of Paragraph 1 of Article 30, the trademark, which has been registered for more than three years, based on which the invalidation is petitioned, shall be attached with a proof showing having been used with the claimed goods or services within three years prior to petition of the invalidation, or with fact and evidence justifying its non-use”;
16. A likelihood of distinctiveness abatement is regarded as an infringement in order to secure a better prevention before actual damages occur;
17. Peripheral activities of infringement are made clear to be trademark infringements through Article 70(3) “with express knowledge of likelihood of infringing the trademark rights under Article 68, manufacturing, holding, displaying, selling, exporting or importing label, tag or packaging vessel not yet combined with goods or services, or articles related to services”;
18. The lower limit of times of the retail price for calculating damages is lifted in order to remove the unjust situation if the retail price is very high through Article 71(1)(3) stipulating “pursuant to a sum up to one thousand and five hundred times of the retail price of seized goods infringing the trademark rights, provided the damages sum shall be the total price if seized goods are over one thousand and five hundred pieces.” This amendment is urged because a counterfeiter sold 4 fake Hermes bags where the genuine one costs NT\$512,500. Under the current law having a lower limit of 500 times, the defendant needs to pay damages at NT\$256,000,000;
19. Border control measures are reinforced by e.g., Article 76(2) stipulating “after the customs exercise a seizure under the

third paragraph of Article 72 or adopt a measure of temporary no clearance, the trademark rights owner may petition with the customs for provision of relevant materials; after consent, the customs may provide information about importer/exporter, name or title of consignor/consignee and quantity of suspect infringing articles”;

20. Use subjects of certification mark, collective mark and collective trademark are clarified where specifications for using such marks are required to be submitted upon filing;
21. It is made clear that display could be performed by electronic medium or network through Article 97 stipulating “whoever knowingly sells or possesses, displays, exports or imports for intended sale the goods made by other referred to in the preceding two articles shall be punished with imprisonment not exceeding one year, detention or in lieu thereof or in addition thereto a fine not exceeding NT\$50,000; the same shall apply if made by means of electronic medium or network,” wherein one’s attention is directed to the two phrases, i.e. “for intended sale” and “made by other”; and
22. By Article 98 stipulating “articles or documents infringing trademark rights, certification mark rights or collective trademark rights, regardless of belonging to the offender or not, shall be confiscated,” it is made clear ownership of the infringing articles or documents plays no role about confiscation.