

## Trademark Act

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## Chapter I

### General Provisions

#### Article 1

This Act is formulated to safeguard trademark rights and consumers' interest, maintain fair competitions of markets, and facilitate normal development of industries and commerces.

#### Article 2

A person who wishes to obtain trademark rights in order to distinguish its goods or services shall apply for trademark registration as provided under this Act.

#### Article 3

An application of a foreigner, whose country has established no trademark protection treaties or agreements with Taiwan on a mutual basis or has rejected a trademark registration made by nationals of the Republic of China in pursuance to its domestic legislations, may be rejected.

#### Article 4

An applicant of a trademark, which was filed in a country mutually recognizing priority right with the Republic of China and was registered in pursuance to the domestic legislation of that country, may claim priority right within six months counting from the next day of the first filing date of that trademark application filed in the Republic of China.

Priority claims made in accordance with the preceding paragraph shall be made at the same time when filing for an application, in which the foreign filing date and the country admitting that foreign application shall be clearly indicated.

The applicant shall submit, within three months from the next day of its filing date in the Republic of China, a certified copy of the application admitted by the said foreign country.

Those who violate against any of the preceding two paragraphs shall lose the priority right.

The priority date shall be referred as the filing date of those claiming priority rights.

#### Article 5

A trademark may be composed of a word, figure, symbol, color, sound, three-dimensional shape or a combination thereof.

A trademark as defined above shall be distinctive enough for relevant consumers of the goods or services to recognize it as identification to that goods or services and to differentiate such goods or services from those offered by others.

#### Article 6

The term, use of trademark, as referred to in this Act connotes the utilization for marketing purpose of trademark on goods, services or relevant articles thereof, or the utilization through means of two-dimensional graphic, audio and visual digitization, electronic media, or other mediums to sufficiently make relevant consumers recognize it as a trademark.

#### Article 7

The term, competent authority, as referred to in this Act is the Ministry of Economic Affairs (hereinafter as the MOEA).

Trademarks and related affairs shall be administrated under a registrar office (hereinafter as the Registrar Office) appointed by the MOEA.

#### Article 8

Trademark registration and relevant affairs thereof may be performed and managed by an appointed trademark agent. Those who have no domicile or business office within the territory of Taiwan shall appoint a trademark agent to perform and manage relevant trademark affairs.

A trademark agent shall have a domicile in Taiwan. Unless otherwise provided by law, only certified trademark attorneys shall claim themselves as the professionals. Qualifications and administration for certified trademark attorney shall be prescribed by law.

#### Article 9

An application shall be rejected where, for trademark application and other procedures, the applicant fails to comply within statutory period, cannot correct those which are not in conformity to legal formality, or fails to correct those which are not in conformity to legal formality within the notified period of time.

An applicant may, in the case where the statutory period has been delayed from natural disasters or causes not attributable to the applicant, submit a written statement clarifying all reasons within thirty (30) days from extinction of such cause to the Registrar Office for restoration to the status quo ante. The aforementioned, however, does not apply to whom that has delayed the statutory period for over a year.

Where request for restoration to the status quo ante is made, proceedings that should have been done within the statutory period shall be carried out concurrently.

#### Article 10

The filing date of a trademark application and other trademark proceedings shall be based on the date when the written documents or articles arrive at the Registrar Office. The filing date of those arriving via postal service shall be based on the postmarked date of the place of origin.

Unless otherwise proved by the party concerned, the filing date of those whose

postmarked date appears to be ambiguous will be based on the date of arrival at the Registrar Office.

#### Article 11

Regulatory fees shall be paid for trademark registration and other trademark related inquiries.

The amount of regulatory fees shall be prescribed under regulations by the Registrar Office .

#### Article 12

The Registrar Office shall publish and circulate an official gazette containing registered trademarks and relevant information thereof .

#### Article 13

The Registrar Office shall establish and maintain a trademark registry containing trademark registrations, changes to trademark rights, and all matters as prescribed by legislations, and shall make the said registry available to the public.

The trademark registry set forth in the preceding paragraph may be done in electronic format.

#### Article 14

Application and other procedures of trademark may be done in electronic format; regulations on the implementation date, application procedures, and other required matters thereof shall be prescribed by the Registrar Office.

#### Article 15

The Registrar Office shall appoint examiner(s) to examine trademark application, opposition, invalidation, and revocation.

Qualifications for examiner referred to in the preceding paragraph shall be prescribed by law.

#### Article 16

The Registrar Office shall render a written and stated decision on examination set forth in paragraph 1 of the preceding article, and deliver the said decision to the applicant.

The decision provided in the preceding paragraph shall be signed by the examiner(s).

## Chapter II

### Trademark Application

#### Article 17

When filing for a trademark application, the applicant shall submit an application stating the proposed trademark, and the designated use on goods or services and the class(es) thereof to the Registrar Office.

The trademark referred to in the preceding paragraph shall be expressed in a visually perceptible representation.

When applying for trademark registration, the application shall provide and specify the applicant, the trademark representation, and the designated use on goods or services and the class(es) thereof; the filing date shall be the date on which the application is submitted.

An applicant may file for one trademark application designating for use on two and more classes of goods or services.

Classifications on goods or services shall be prescribed in the Enforcement Rules of this Act.

An assessment on similar goods or services shall not be constrained by the classifications on goods or services set forth in the preceding paragraph.

#### Article 18

A compromise shall be reached between two or more applicants, whose trademark applications submitted separately on the same day of which time precedence cannot be determined may likely to cause confusion to relevant consumers by providing the same or similar trademark representations and designating their use on the same or similar goods or services. Lots shall be casted where a compromise has failed to be

reached.

#### Article 19

A proposed trademark featuring a descriptive or non-distinctive word, sign, symbol, color, or three-dimensional shape, where deletion of that feature will defect the whole of such trademark, may be registered when the applicant disclaims the exclusive right for using the said feature.

#### Article 20

Any changes to a trademark application shall be submitted to and approved by the Registrar Office.

No changes shall be made on the proposed trademark and the designated use on goods or services thereof after an application has been filed. However, the aforementioned does not apply to contraction on the scope of goods or services designated for use. A request for change set forth in paragraph 1 shall be filed separately per application. However, an applicant owning two or more applications where change on the same matter to be taken place may make such change at once by filing for one single request.

#### Article 21

An applicant may request to the Registrar Office for dividing the designated use on goods or services into two or more applications, in which the original filing date shall remain as the filing date thereof.

#### Article 22

Rights derived from a trademark application may be assigned to another person. An assignee of rights set forth in the preceding paragraph, unless requested and approved by the Registrar Office as the applicant, shall have no locus standi against any third party.

## Chapter III

### Examination and Approval

#### Article 23

A trademark application shall be rejected if the proposed trademark satisfies any of the following:

1. One that fails to comply with provisions of Article 5;
2. One that represents the shape, quality, function(s) or other descriptions of the goods or services;
3. A generic sign or term used in relation to the designated goods or services;
4. One that is a three-dimensional shape of the goods or packaging thereof and is indispensable for performing the intended function(s);
5. One that is identical or similar to the national flag, national emblem, national seal, military flags, military insignia, official seals, medals of the Republic of China, or flags of foreign nations.
6. One that is identical to the portrait or name of the late Dr. Sun Yat-Sen or of the head of the state;
7. One that is identical or similar to a mark used or medal or certificate awarded by a government agency of the Republic of China or by an exhibition assembly;
8. One that is identical or similar to the name, emblem, badge or mark of a well-known international organization or a well-known domestic or foreign institution;
9. One that is identical or similar to the CNS (Chinese National Standards) Mark or any domestic or foreign mark of the same certified inspection nature;
10. One that violates against public order or good morals;
11. One that is likely to mislead the public with respect to the nature, quality, or place of origin of the designated goods or services;
12. One that is identical or similar to another person's well-known trademark or mark and hence is likely to confuse the relevant public or likely to dilute the distinctiveness or reputation of the said well-known trademark or mark. However, the aforementioned shall not apply to an application filed with consent from the owner of the said well-known trademark or mark;
13. One that is identical or similar to a registered trademark or a proposed trademark of a preceding application that is designated for use on identical or similar goods or services thereof and hence likely to cause confusion to relevant consumers. However,

except in the case where such trademarks and their designated use on goods or services of both parties are identical, the aforementioned shall not apply to an application filed with consent from the owner of the said registered trademark or a proposed trademark;

14. One that is identical or similar to a trademark that has been used prior by another person on the identical or similar goods or services, and the applicant thereof is aware of the existence of the said trademark through contractual, geographical, or business connections, or any other relationship with the said person. However, the aforementioned shall not apply to an application filed with consent from the said person;

15. One that comprises a portrait, or a famous name, stage name, pseudonym or alias of another person. However, the aforementioned shall not apply to an application filed with consent from the said person;

16. One that comprises the name of a famous juristic person, entity or other group, and hence likely to cause confusion with the relevant public;

17. One that infringes another person's copyrights, patent rights, or other rights, where such infringement has been affirmed by a court. However, the aforementioned shall not apply to an application filed with consent from the said person; or

18. One that is identical or similar to a geographical indication of wines and spirits of a country or region that mutually protects trademark with the Republic of China, and is designated for use on wines and spirits.

The provisions of Item (12), Items (14) through (16) and Item (18) of the preceding paragraphs shall only apply in occurrence at the time of filing .

The provisions of Items (7) and (8) of paragraph 1 of this Article shall not apply if the applicant is a government agency or related institutes.

The provisions of Item (2) of paragraph 1 of this Article or paragraph 2 of Article 5 shall not apply in the case where the proposed trademark has been used by the applicant and has become a distinctive identification of the goods or services provided by the applicant in the course of trade.

## Article 24

A trademark application complying with conditions of unsuccessful registration as set forth under paragraph 1 of the preceding article or paragraph 4 of Article 59 shall be rejected after examination.

Before rendering a rejection provided under the preceding paragraph, a written notice stating reasons of rejection shall be sent to the applicant, who shall state whose comment within thirth (30) days counting from the next day of receiving the said

notice.

#### Article 25

A trademark application complying with none of the conditions set forth under paragraph 1 of the preceding article shall be approved after examination.

An approved trademark shall be registered and published and a trademark certificate shall be issued on the condition that a registration fee has been made by the applicant thereof within two months counting from the next day of receiving the decision.

Where the said fee remains unpaid by the end of the stipulated period, a trademark shall not be registered and published, and the original approval shall become invalid.

#### Article 26

The registration fee provided in paragraph 2 of the preceding article may be paid in two installments. Those who wish to pay in installments shall pay the second installment within the last three months before the end of the third year counting from the publication date of trademark registration.

Those who fail to pay the second installment on registration fee within the time period stipulated in the preceding paragraph are provided with an extra period of six months after the end of the third year in which the said installment shall be made in double.

Trademark rights of those who fail to pay the second installment on registration fee pursuant to provisions of the preceding paragraph shall be extinguished on the day following the last day of the extra period for paying in double.

### Chapter IV

#### Trademark Rights

#### Article 27

Since the publication date of a registered trademark, trademark rights remaining for a term of ten years shall be bestowed upon a right holder.

A request for renewal may be filed within the trademark term; a trademark term of ten

years shall be provided per successful renewal.

#### Article 28

A request for renewal on trademark term shall be filed between six months before and after the term expiration; those file within six months after the term expiration shall pay the registration fee in double.

The term of renewal approved under the preceding paragraph shall commence from the date following the expiration of the last trademark term .

#### Article 29

A right holder of a registered trademark shall enjoy the exclusive trademark rights with respect to the designated goods or services.

Unless otherwise provided in Article 30 of this Act, consent from the registered trademark right holder shall be required in any of the following conditions:

1. One who wishes to use a trademark that is identical to a registered trademark on identical goods or services;
2. One who wishes to use a trademark that is identical to a registered trademark on similar goods or services, and hence it is likely to cause confusion to relevant consumers; or
3. One who wishes to use a trademark that is similar to a registered trademark on the identical or similar goods or services, and hence it is likely to cause confusion to relevant consumers.

#### Article 30

Any of the following conditions shall be free from the capacity of trademark rights of a person:

1. One who, through means of bona fide and fair use, expresses the same one's name, title, or the name, shape, quality, function, place of origin, or other description with respect to the goods or services provided by the same one for non-trademark purposes.
2. Where a three-dimensional shape of the goods or the packaging thereof is indispensable for performing its intended function(s).
3. Where, prior to the filing date of a registered trademark, a person has been using bona fide an identical or similar trademark designating on the identical or similar goods or services. However, the aforementioned only is applicable to those goods or

services on which such trademark has already been in use; the trademark right holder of the said registered trademark may request the said person to attach appropriate and distinguishing label(s).

Where goods bearing a registered trademark are traded or circulated in the marketplace by the trademark right holder or by an authorized person, or are offered for auction or disposal by a relevant agency, the right holder shall not claim trademark rights on the said goods. However, the aforementioned shall not apply in case of preventing deterioration or damage of goods or any other fair reasons.

#### Article 31

A trademark right holder may request the Registrar Office to divide trademark rights used on the goods or services designated by a registered trademark.

A trademark right division stipulated in the preceding paragraph may also be requested before the final decision of an opposition or invalidation to a trademark.

#### Article 32

Any changes to a registered trademark shall be entered and recorded by the Registrar Office. An unrecorded entry shall have no locus standi against any third party.

No changes shall be made to a registered trademark and the designated use thereof on goods and services once the said trademark has been registered. However, the aforementioned does not apply to contraction on the scope of goods or services designated for use.

The provisions of paragraph 3 of Article 20 and paragraph 2 of the preceding article shall apply mutatis mutandis to any changes to a registered trademark.

#### Article 33

A trademark right holder may license a person to use its registered trademark on part or whole of the designated goods or services thereof.

Licensing provided in the preceding paragraph shall be entered and recorded by the Registrar Office. An unrecorded entry shall have no locus standi against any third party. The said provisions shall also apply in the case where a trademark is sub-licensed by its licensee with prior consent of the trademark right holder to a third party.

In the case where trademark rights have been assigned after licensing of a trademark

was recorded, the assignee shall still be bound by the licensing agreement. A licensee shall label a licensed trademark in a obvious and distinguishing way on whose goods, the packagings or containers thereof or trade-related articles or documents; in the case where labeling the aforementioned becomes evidently difficult, the licensing label may be shown at the place of business or on other relevant articles.

#### Article 34

Where a licensee violating against the provisions of paragraph 4 of preceding article, the Registrar Office shall, ex officio or upon request, notify the said licensee to correct within a prescribed period; licensing record shall be revoked for those who fail to correct within the said period.

Before the expiration of a licensing term, a concerned or an interested party may, by submitting relevant evidence(s), apply for revoking a licensing record under any of the following conditions:

1. Where the trademark right holder and the licensee have both agreed to terminate the licensing; the same provision shall also apply in the case of sub-licensing;
2. Where the licensing agreement expressly prescribes that either the trademark right holder or the licensee may terminate a licensing relationship at any time, and the declaration of termination has been made; or
3. Where a trademark right holder notifies the licensee to rescind or terminate the licensing agreement on account of breach by the said licensee, who has shown no objection thereto.

#### Article 35

An assignment of trademark right(s) shall be entered and recorded by the Registrar Office. An unrecorded entry shall have no locus standi against any third party.

#### Article 36

In the case an assignment of trademark right(s) has resulted in a situation where two or more trademark right holders have used the same trademark on similar goods or services, or have used similar trademarks on identical or similar goods or services and hence likely causing confusion to relevant consumers, all trademark right holders thereof shall affix appropriate and distinguishing label(s) while using their respective trademarks.

## Article 37

A creation, change, or extinguishment of a pledge made by a trademark right holder shall be entered recorded by the Registrar Office. An unrecorded entry shall have no locus standi against any third party.

Where multiple pledges on trademark rights are created by a trademark right holder to secure the rights of its creditors, the sequence of pledge shall be determined by the precedence thereof.

During the term of a pledge, the pledgee shall not use the pledged trademark unless otherwise licensed by the trademark right holder thereof.

## Article 38

A trademark right holder may abandon its trademark right(s). However, one who has recorded a licensing or pledge and wishes to do so shall have consent from the licensee(s) or pledgee(s).

The abandonment in the preceding paragraph shall be made in writing to the Registrar Office.

## Article 39

The trademark right(s) shall ipso facto extinguish under any of the following conditions:

1. Where renewal was absent from pursuing to the provisions of Article 28 of this Act;  
or
2. Where the trademark right holder has died without an heir.

## Chapter V Opposition

## Article 40

In the case where the registration of a trademark violates the provisions of paragraph

1 of Article 23 or paragraph 4 of Article 59, anyone may file an opposition with the Registrar Office within three months from the publishing date of the said trademark. The opposition set forth in the preceding paragraph may be made to part of the goods or services designated for use by a registered trademark . Opposition shall be filed separately against each registered trademark.

#### Article 41

Any person who requests for an opposition shall submit an opposition application stating the fact(s) and ground(s) along with a duplicate copy thereof. Any attachments to the said opposition application shall also be enclosed with the said duplicate copy.

The Registrar Office shall issue a notice informing whom to make a correction within a prescribed time period to a procedurally restorable opposition.

The Registrar Office shall forward the duplicate copy stipulated in paragraph 1 along with any attachments thereof to the trademark right holder, who shall defend within a prescribed time period.

#### Article 42

An opposition shall be examined by examiner(s) who have never taken part in the original trademark examination.

#### Article 43

An opposing party or a trademark right holder may present a market survey report as evidence.

The Registrar Office shall offer an opposing party or a trademark right holder with an opportunity to comment on a market survey report.

The Registrar Office shall make a decision consolidating all comments stated by the parties concerned along with conclusion of a market survey report.

#### Article 44

An assignment of a trademark of which an opposition has been requested underway shall have no effect on the proceedings of the said opposition.

An assignee of trademark rights set forth in the preceding paragraph may declare to be the opposed party to continue opposition proceedings.

#### Article 45

An opposing party may withdraw whose opposition before the delivery of the opposition decision thereof.

An opposing party who has withdrawn an opposition shall not request once more an opposition or invalidation against the same trademark based on the same fact(s), the same evidence(s), and the same ground(s).

#### Article 46

A trademark registration shall be cancelled once an opposition thereof has been affirmed after examination.

#### Article 47

A cancellation may be made on only part of the designated goods or services where reason(s) for cancellation provided in the preceding article exists.

#### Article 48

No one shall request for an invalidation based on the same fact(s), the same evidence(s), and the same ground(s) against a registered trademark of which an opposition decision was affirmed.

#### Article 49

Where a civil or criminal litigation in connection with trademark rights was initiated during the proceeding of an opposition against the same trademark, the said litigation may be suspended until the decision of the opposition has been rendered.

### Chapter VI

#### Invalidation and Revocation

## Section 1 Invalidation

### Article 50

Where the registration of a trademark violates provisions of paragraph 1 of Article 23 or paragraph 4 of Article 59, a concerned party or a trademark examiner may request or inquire the Registrar Office to invalidate the said registration.

The provisions of the preceding paragraph shall *mutatis mutandis* apply in the case where a trademark has infringed copyrights, patent rights or other rights of another person before registration thereof, and the said infringement has been affirmed upon judgement rendered by a court.

### Article 51

No one shall request or inquire invalidation against a trademark of which the registration violates conditions prescribed under provisions of Items (1) and (2) and Items (12) through (17), paragraph 1 of Article 23, or paragraph 4 of Article 59 and where five years has passed since the publishing date thereof.

No one shall request or inquire invalidation where five years has passed since the date on which a judgement as prescribed in paragraph 2 of the preceding article became affirmed.

The prescribed period set forth in paragraph 1 shall not apply to a trademark of which the registration complies *mala fide* with the provisions of Item (12), paragraph 1 of Article 23.

### Article 52

Whether a trademark to be invalidated violates the law shall be determined by the provisions of the law in effect at the time of publication for trademark registration.

### Article 53

A trademark invalidation shall be examined by three or more invalidation committee examiners appointed by the head of the Registrar Office.

### Article 54

Registration of a trademark of which invalidation was affirmed shall be invalidated. However, in the case where the cause on which the invalidation was based no longer exists at the time of examination for the said invalidation, a decision to dismiss the said invalidation may be rendered upon considering the interests of the public and the concerned parties.

#### Article 55

No one shall request for an invalidation based on the same fact(s), the same evidence(s), and the same ground(s) against a trademark of which an invalidation decision was affirmed.

#### Article 56

The provisions of paragraphs 2 and 3 of Article 40, paragraphs 1 and 2 of Article 41, Articles 42 through 45, Article 47 and Article 49 shall apply mutatis mutandis to invalidation against trademark.

### Section II Revocation

#### Article 57

In the case where any of the following conditions occurs after the registration of a trademark, the Registrar Office shall, ex officio or upon an application, revoke the said registration:

1. Where a trademark was self-altered or supplemented with additional notes whereby the trademark has caused likelihood of confusion to relevant consumers by being identical or similar to a registered trademark of another person of which is used on the same or similar goods or services;
2. Where, without valid reasons, a trademark has not yet been put into use or has been suspended from use continuously for three years after registration. However, the aforementioned shall not apply to one that is in use by a licensee;
3. Where no appropriate and distinguishing label(s) is affixed pursuant to Article 36. However, the aforementioned shall not apply to those causing no likelihood of confusion by affixing distinguishing label(s) before disposition by the Registrar Office;

4. Where a trademark has become a common sign, name or shape of the goods or services as designated for the said trademark;
5. Where practicing a trademark causes likelihood to mislead the public with respect to the nature, quality or place of origin of the goods or services designated by the trademark; or
6. Where the use of the trademark has been affirmed by judgment of a court to infringe the copyrights, patent rights or other rights of another person.

The aforementioned shall also apply in the case where a trademark right holder is or may be aware of but has shown no objection to the conduct as prescribed in Item (1) of preceding paragraph by a licensee thereof.

A trademark, which is subject to Item (2) of the preceding paragraph, that has been restored for use at the time of requesting for revocation by another person shall not be revoked, unless the said use had occurred within three months before the said revocation request owing to understanding thereof.

A revocation may be made on only part of the designated goods or services of a registered trademark where reason(s) for revocation exists.

#### Article 58

A trademark right holder shall be deemed to have used whose registered trademark under any of the following conditions:

1. Where the trademark in actual use differs from the registered one yet commonly recognized in society to have preserved the sameness; or
2. Where, for export purposes, a registered trademark has been labeled on goods or on other relevant articles thereto.

#### Article 59

The Registrar Office shall notify the trademark right holder the reason(s) of revocation, and shall also set a period for defencing. A revocation may be dismissed at once if no solid fact or evidence is available or the claims have failed to demonstrate obvious ground.

Upon receiving of notice of defence for condition set forth under Item (2), paragraph 1 of Article 57, a trademark right holder shall prove with fact(s) of use thereof; registration for those who have failed to defend within the prescribed time may be revoked at once.

Fact proving the use of a trademark presented by the trademark right holder set forth under the preceding paragraph shall comply with the general practice of trade.

A trademark right holder, whose registration was revoked owing to compliance to Items (1) and (6), paragraph 1 of Article 57, shall not register, be assigned or licensed within three years counting from the date of revocation to use a trademark that is identical or similar to the said revoked trademark on the same or similar goods or services; the aforementioned shall also apply to whom disclaiming whose trademark rights before disposition issued by the Reigstrar Office.

#### Article 60

The provisions of paragraphs 2 and 3 of Articles 40, paragraphs 1 and 2 of Article 41, Article 42 through Article 44 shall apply mutatis mutandis to the examination of revocation.

### Chapter VII

#### Remedies for Right Infringement

#### Article 61

A trademark right holder may claim for damages from a person infringing whose trademark rights, and may request for excluding infringement thereto; in case of likelihood of infringement, the said right holder may also request for the prevention thereof.

One who complies with conditions provided under paragraph 2 of Article 29 without consent from a trademark right holder thereof shall have infringed trademark rights.

A trademark right holder, when requesting in pursuance with provisions of the preceding paragraph 1, may request for destruction or other necessary disposal of the goods infringing trademark rights, or raw materials or equipments utilized for infringement.

#### Article 62

A trademark right infringement shall be deemed to have occurred where consent of trademark right holder is absent from any of the following conditions:

1. Knowingly using a trademark identical or similar to a well-known registered trademark of another person, or using the word(s) contained in the said well-known trademark as the company name, trade name or domain name or any other representation identifying the body or source of whose business, and hence diluting the distinctiveness or reputation of the said well-known trademark; or
2. Knowingly using the word(s) contained in a registered trademark of another person as the company name, trade name or domain name or any other representation identifying the body or source of whose business, and hence causing confusion to relevant consumers of goods or services thereof.

#### Article 63

When claiming for damages, a trademark right holder may choose one of the following methods to estimate the amount thereof:

1. Damages may be claimed in pursuance with Article 216 of the Civil Code. However, in the event where evidence cannot be presented to prove the damages thereof, the trademark right holder may use the profit normally gained from using whose registered trademark to subtract the profit gained from the same trademark after infringement, and claim the difference as the amount of damage;
2. Damages may be claimed in accordance with the profit gained from trademark rights infringement. However, where no evidence on costs or necessary expenses can be proved by the infringer, the total amount of sales from selling the infringing goods shall be regarded as the amount of profit; or
3. Damages may be claimed in an amount equivalent to 500 to 1,500 times of the unit retail price of the infringing goods. However, in the case where over 1,500 pieces of infringing goods are found, the amount of damage to be claimed shall be assessed based on the total sale price of the said infringing goods.

A court may, at its discretion, reduce the amount of compensation in the case where the amount of compensation for damages assessed under the preceding paragraph is apparently unreasonable.

A trademark right holder may claim for additional compensation in a reasonable amount in the case where whose business reputation has suffered any damage on account of such infringement.

#### Article 64

A trademark right holder may request for publication on a newspaper, at the expense of the infringer, of the contents, in full or in part, of the judicial decision in relation to

a trademark infringement.

#### Article 65

A trademark right holder may request the Customs Authority to suspend the release of imported or exported goods that are suspected of infringing the trademark rights of the said right holder.

The request set forth in the preceding paragraph shall be presented in writing, explicating the facts of the infringement, and along with a bond in an amount equivalent to the duty-paid price of the imported goods or the F.O.B. price of the exported goods, assessed by the Customs Authority, or with an equivalent security.

Once the Customs Authority accepts a request for suspension of release, it shall immediately notify the applicant thereof; where suspension of release is carried out owing to compliance to the preceding paragraph, the said applicant and the party whose goods are detained shall be notified in writing.

The party whose goods are detained may request the customs authorities to revoke the suspension of release by providing a bond in an amount equivalent to two times the bond set forth in the preceding paragraph 2 or an equivalent security while following the procedures in accordance with applicable customs regulations on import and export goods clearance.

Without prejudice to the protection of the confidentiality of the detained goods, the Customs Authority may allow the inspection of the detained goods requested by the applicant thereof or the party whose goods are detained.

Where the applicant thereof is awarded an affirmed court ruling stating that the detained goods has infringed trademark rights, the party of the detained goods shall be liable for all relevant expenses incurred as a result of the delay of containers, warehousing, loading, and unloading of the detained goods, except for the conditions set forth in paragraph 4 of Article 66.

#### Article 66

The Customs Authority shall revoke the suspension of release under any of the following conditions:

1. Where the applicant thereof fails to initiate litigation claiming that the detained goods are infringements in pursuance with Article 61 while notifying the Customs Authority within twelve (12) days counting from the date on which the Customs Authority has notified its acceptance of suspension requested by the said applicant thereof.
2. Where a court ruling dismissing litigation initiated by the applicant thereof alleging that the detained goods are infringements becomes affirmative.
3. Where a court ruling sustaining that the detained goods infringe no trademark rights becomes affirmative.
4. Where the applicant thereof requests for revocation of the suspension of release.
5. One that complies with the condition set forth in paragraph 4 of Article 65.

The Customs Authority may extend the period set forth in Item (1) of the preceding paragraph by an additional twelve (12) days whenever necessary.

Where revocation carried out in pursuance with paragraph 1, the Customs Authority shall follow the procedures in accordance with applicable customs regulations on import and export goods clearance.

Where suspension of release is revoked in pursuance with Items (1) to (4) of paragraph 1, the applicant thereof shall be liable for all relevant expenses incurred as a result of the delay of containers, warehousing, loading, and unloading of the detained goods.

#### Article 67

When the detained goods are affirmed to be non-infringing by a court ruling, the applicant for suspension of release shall compensate the party whose goods were detained for any losses resulting from the suspension of release or from the provision of the bond set forth in paragraph 4 of Article 65.

The applicant of the bond set forth in paragraph 4 of Article 65, or the party, whose goods were detained, of the bond stipulated in paragraph 2 of Article 65 shall enjoy

the same right as a pledgee. However, all relevant expenses incurred due to the delay of containers, warehousing, loading, and unloading of the detained goods as set forth in paragraph 4 of Article 66 and paragraph 6 of Article 65 shall be paid in priority from compensation over all losses incurred to the said applicant or the said party.

Under any of the following circumstances, the Customs Authority shall return the bond set forth in paragraph 2 of Article 65 upon request by the applicant thereof:

1. Where the bond is no longer required owing to the applicant thereof has either obtained a favorable affirmed judgment or reached a settlement with the party whose goods were detained;
2. Where the applicant thereof proves that the party of the detained goods was notified but has failed to exercise its rights within twenty (20) or more days after the suspension of release is revoked on account of any circumstances set forth in Items (1) through (4) of paragraph 1 of Article 66 in which the party of the detained goods has suffered from losses owing to the suspension of release, or after the party of the detained goods has been awarded a favorable affirmed judgment; or
3. Where the party whose goods were detained agrees to the return of the bond.

Under any of the following circumstances, the Customs Authority shall return the bond set forth in paragraph 4 of Article 65, upon request by the party whose goods were detained:

1. Where the bond is no longer required owing to either the suspension of the release order has been revoked pursuant to the provisions of Items (1) through (4) of paragraph 1 of Article 66, or the party whose goods were detained has reached a settlement with the applicant thereof;
2. Where the party whose goods were detained proves that the applicant thereof was notified but has failed to exercise its rights within twenty (20) or more days after the said applicant thereof has been awarded a favorable affirmed judgment; or
3. Where the applicant thereof agrees to the return of the bond.

## Article 68

The regulations governing the application for detaining goods, revocation of a detaining, inspection of detained goods, payment, provision and return procedures for a bond or security, required documents and other matters to be abided by which set

forth in the preceding three articles shall be prescribed by the competent authority and the Ministry of Finance.

#### Article 69

The provisions of this Chapter shall apply *mutatis mutandis* to infringement on the right to use a trademark granted through licensing as provided under Article 33.

#### Article 70

A foreign juristic person or entity, which is not limited to those recognized by the Government of the Republic of China, may also file a complaint, initiate a private prosecution, or institute a civil suit with respect to the matters prescribed in this Act.

#### Article 71

A court may establish a special tribunal or designate a specialist(s) to handle trademark litigation.

### Chapter VIII

#### Certification Marks, Collective Membership Marks and Collective Trademarks

#### Article 72

Any person who wishes to exclusively use a mark to certify the characteristics, quality, precision, place of origin or other matters of another person's goods or services shall apply for certification mark registration.

Only a juristic person, an organization or a government agency which is capable of certifying another person's goods or services shall be eligible to apply for certification mark registration.

An applicant of the preceding paragraph who engages in business in connection with the goods or services to be certified shall not apply for certification mark registration thereof.

#### Article 73

The use of a certification mark shall connote that the right holder of a certification mark, in order to certify the characteristics, quality, precision, origin or other matters of another person's goods or services, agrees the said person to indicate the said certification mark on articles or documents in connection with the said goods or services.

#### Article 74

Any business association, social organization, or any other group that exists as a juristic person and wishes to exclusively use a mark to identify its organization or membership shall apply for collective membership mark registration.

An application for collective membership mark registration of the preceding paragraph shall be filed with the Registrar Office by submitting in writing specifying relevant matters along with a set of articles governing the use of the collective membership mark thereto.

#### Article 75

The use of a collective membership mark shall connote the indication of such mark on relevant articles or documents by the organization or its members in order to identify an organization or membership thereof.

#### Article 76

Any business association, social organization, or any other group that exists as a juristic person and wishes to exclusively use a mark to identify the goods or services provided by its members, and therefore distinguishing these goods or services from those provided by others, may apply for collective trademark registration.

An application for collective trademark registration of the preceding paragraph shall be filed with the Registrar Office by submitting in writing specifying the designated class(es) and the name(s) of goods or services along with the a set of articles governing the use of the collective trademark thereto.

#### Article 77

The use of a collective trademark shall connote that, in order to identify the goods or services provided by members of an organization, the said members use the collective

trademark on their goods or services whereby these goods or services may be distinguished from those provided by others.

#### Article 78

The right of a certification mark, a collective membership mark or a collective trademark shall not be assigned or licensed to another person for use, nor may it be the subject of a pledge. However, the aforementioned shall not apply in the case where such assignment or license to another person for use is unlikely to damage the interests of consumers, to contravene fair competition, and has been approved by the Registrar Office.

#### Article 79

The Registrar Office shall, upon request by any person or ex officio, revoke the registration of a certification mark, a collective membership mark or a collective trademark in the case where misuse of which by the right holder or the licensed user thereof has caused damages to another person or the public.

The term, misuse, referred to in the preceding paragraph shall connote any of the following conditions:

1. Where a certification mark is used as a trademark or indicated on articles or documents in connection with the goods or services provided by the right holder of the said certification mark;
2. Where the use of a collective membership mark or collective trademark has misled the general public regarding the nature of the organization thereof;
3. Where assignment, licensing, or creation of pledge is established in violation of the provisions of the preceding article;
4. One that has violated the set of articles governing the use thereof; or
5. One that is misused in other means.

#### Article 80

Unless otherwise provided in this Chapter, the provisions of this Act regarding trademarks shall apply mutatis mutandis to certification marks, collective membership marks or collective trademarks.

### Chapter IX

## PENALTY

### Article 81

Any person who commits any of the following acts without prior consent of the trademark or the collective trademark right holder thereof shall be charged with imprisonment for no more than three years, detention and, in addition thereto or in lieu thereof, a fine of no more than NT\$200,000:

1. One who uses a mark identical to a registered trademark or collective trademark on the same goods or services;
2. One who uses a mark identical to a registered trademark or collective trademark on similar goods or services, and hence has caused likelihood of confusion or misleading to relevant consumers;
3. One who uses a trademark that is similar to a registered trademark or collective trademark on the identical or similar goods or services, and hence has caused likelihood of confusion to relevant consumers.

### Article 82

Any person, who knowingly sells, displays for sale, exports or imports the goods referred to in the preceding article, shall be charged with imprisonment of no more than one year, detention, and, in addition thereto or in lieu thereof, a fine of no more than NT\$50,000.

### Article 83

The goods manufactured, sold, displayed, exported or imported by, or the articles or documents in connection with provision of services by, a person committing any of the offenses as specified in the preceding two articles, shall be confiscated, regardless of whether such goods, articles or documents belong to the offender.

## Chapter X

### Supplementary Provisions

### Article 84

The provisions of Article 26 shall not apply to a trademark or any other mark already registered prior to the enforcement of the amendment to this Act as of April 29, 2003.

#### Article 85

A service mark already registered prior to the enforcement of the amendment to this Act as of April 29, 2003 shall be deemed as a trademark as of the said date.

A service mark application yet to be registered prior to the enforcement of the amendment to this Act as of April 29, 2003 shall be deemed as a trademark application as of the said date.

#### Article 86

An associated trademark, associated service mark, associated collective mark or associated certification mark that was already registered prior to the enforcement of the amendment to this Act as of April 29, 2003 shall be deemed as an independent registered trademark or mark as of the said date; its registration term shall be the same as which originally granted.

An associated trademark application, associated service mark application, associated collective mark application or associated certification mark application that is yet to be registered prior to the enforcement of this Act shall be deemed as an independent trademark application or other mark application as of April 29, 2003 on which the amendment to this Act takes effect.

An applicant under the preceding paragraph may withdraw its application and request for a refund before receiving the notice of approval regarding the said application.

#### Article 87

A defensive trademark, defensive service mark, defensive collective mark or defensive certification mark already registered before the enforcement of the amendment to this Act as of April 29, 2003 shall be subject to the provisions in force at the time of its registration, and shall be changed to an independent registered trademark or mark before the expiration of the term of exclusive use; the trademark right of those fail to make the said change shall be extinguished.

A defensive trademark application, defensive service mark application, defensive collective mark application or defensive certification mark application yet to be registered before the enforcement of this Act shall be deemed as an independent trademark or mark application as of April 29, 2003 on which the amendment to this

Act takes effect.

An applicant under the preceding paragraph may withdraw its application and request for a refund before receiving the notice of approval regarding the said application.

#### Article 88

With respect to a registered trademark or mark which is deemed as an independent mark in pursuance with paragraph 1 of Article 86, the three-year period set forth in Item (2), paragraph 1 of Article 57 shall commence from April 29, 2003 on which the amendment to this Act takes effect.

With respect to a registered trademark or mark which has been changed to an independent mark as provided under paragraph 1 of the preceding article, the three-year period set forth in Item (2), paragraph 1 of Article 57 shall commence from the date on which the said change takes place.

#### Article 89

Where an application for trademark registration was approved prior to the enforcement and the said approval has not been invalidated upon the enforcement of the amendment to this Act, the said trademark shall be registered in pursuance with the provisions of this Act; the first installment of the payable registration fee shall be deemed to have been paid.

Where approval of a trademark application that was cancelled prior to the enforcement of the amendment to this Act on April 29, 2003 has been restored as the result of administrative remedial proceedings provided under the amendment to this Act, the said trademark shall be registered in pursuance with the provisions of the same amendment; the first installment of the payable registration fee shall be deemed to have been paid.

#### Article 90

Registration of a trademark against which an opposition was filed and pending prior to the enforcement of the amendment to this Act shall be cancelled only in the case where the said trademark complies with conditions of violation set forth under provisions both before and after the enforcement of the amendment to this Act as of April 29, 2003; the proceedings thereof shall follow the provisions after the said enforcement.

## Article 91

Registration of a trademark against which an invalidation was filed and pending prior to the enforcement of the amendment to this Act shall be cancelled only in the case where the said trademark complies with conditions of violation set forth under provisions both before and after the enforcement of the amendment to this Act as of April 29, 2003; the proceedings thereof shall follow the provisions after the said enforcement.

Invalidation against a trademark, certification mark, or collective mark registered prior to the enforcement of the amendment to this Act as of April 29, 2003, shall only be requested or inquired in the case where the said trademark or mark complies with conditions of violation set forth under provisions both at the time of registration and after the enforcement of the amendment to this Act.

## Article 92

Provisions governing trademark revocation shall be applicable to trademark cancellation cases of which the decisions have not been rendered prior to the enforcement of the amendment to this Act.

## Article 93

The Enforcement Rules of this Act shall be prescribed by the competent authority.

## Article 94

This Act shall come into force six (6) months after the date of promulgation thereof.