

Trademarks

New Enforcement Rules for the Taiwan Trademark Act

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To cope with the enforcement of the new Trademark Act that came into effect on July 1, 2012 (see "Substantial Impact From Amendments to Taiwan Trademark Act" [26 WIPR 20, 10/1/12]), the Taiwan Intellectual Property Office ("TIPO") has amended the Enforcement Rules of the Trademark Act, which simultaneously took effect on the same date.

The main changes to the Enforcement Rules of the Trademark Act are outlined as follows.

- With regards to the filing of a trademark application, new provisions allowing TIPO to require the applicant to provide a description of the trademark and trademark sample(s), if necessary.
- Definitions of non-conventional trademarks in the form of color, three-dimension, motion, hologram or sound marks, as well as provisions regarding trademark drawings, descriptions and samples thereof now added.

The draft Enforcement Rules specifies that when filing a three-dimensional or motion trademark application, a maximum of six drawings of the trademark may be submitted, and when filing a hologram trademark, a maximum of four drawings of the trademark may be submitted. As such, the applicant should give due consideration to the selection of drawings that best depict the distinctive features of the concerned trademark.

- The calculation method for the 6-month priority term has been specified. The 6-month priority term is calculated from the date after the date of filing of the first application in any country or a member country of the World Trade Organization that has formed mutual recognition of priority rights with the Republic of China (Taiwan), or from the date after the date when relevant goods or services have been displayed at an exhibition.
- Acceptable changes that do not substantially alter the trademark drawing are now listed. Provisions identifying which changes to the drawing of a trademark are allowed; for instance, the portion not included in a trademark should be depicted in dotted lines.
- Provisions specifying the circumstances where a registration is not to be granted even if consent from the owner of an earlier trademark has been obtained, due to the later-filed trademark application being obviously improper. These circumstances include:
 - where the applied for mark is identical to a registered trademark or an earlier filed trademark and is designated for use on the same goods or services;
 - if the registered trademark receives an injunction from a court;
 - Other situations where registration is obviously improper (according to TIPO's substantial review of solid facts and evidence at the time of examination on a case-by-case basis).
- Provisions governing the period in which an applicant may submit his/her reasons before TIPO rejects a trademark application, and extension of such period have been added.

A domestic applicant is given 1 month to put forth his/her reasons, while a foreign applicant is given 2 months. The period may be extended for an additional term and thereafter no extension would be granted without any good cause.
- New provisions added that applications for recordation of a trademark license should indicate whether such license is exclusive or non-exclusive.

Provisions specifying that the recorded term of license is limited to the term of the relevant trademark rights has been removed. As such, the term of license agreed in a contract may exceed the registered term of the relevant trademark rights. However, considering that trademark rights are renewable by law after their expiry, the effect of the original license contract should not be affected and therefore no additional application for recordation of such license would be required.

- Provisions specifying that the recordation of a pledge should indicate the term of pledge and that the term of pledge is restricted by the term of relevant trademark rights has been removed. The term of existence of a pledge depends on the clearance of relevant collateralized debt. Once a trademark registration is renewed, no additional application for recordation of a pledge thereon would be required.