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Intellectual Property - Taiwan Trademark Act's new enforcement rules take effect

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On July 1 2012 the new Trademark Act became effective. To facilitate its enforcement the Intellectual Property Office (IPO) amended the Enforcement Rules of the Trademark Act, which also took effect on July 1 2012.

The major amendments to the enforcement rules are as follows:

- New provisions have been added specifying that when filing a trademark application, the applicant may be ordered to provide a description of the trademark and trademark sample(s), if necessary.
- Definitions of non-conventional trademarks - colour, three-dimensional, motion, hologram or sound marks - and provisions regarding trademark drawings must be specified, and descriptions and samples provided. The draft enforcement rules provide that when filing a three-dimensional trademark or motion trademark application, a maximum of six drawings of the mark may be submitted. When filing a hologram trademark, a maximum of four drawings may be submitted. An applicant should carefully select drawings that best depict the distinctive features of the trademark concerned.
- The calculation method for the six-month priority term must be specified. This term is calculated from the day following that on which the first application was filed in any country or any member country of the World Trade Organisation that has established mutual recognition of priority rights with Taiwan, or from the day following that on which relevant goods or services have been displayed at an exhibition.
- Acceptable changes that do not substantially alter the trademark drawing must be listed. Situations in which changes to the trademark drawings are allowed must be specified - for example, the portion not included in a trademark should be depicted by dotted lines.
- Even if consent from the owner of an earlier trademark is obtained, where a later-filed trademark application is improper it cannot be granted registration. This could occur when, among other things:
 - the trademark to be filed is identical to a registered trademark or an earlier-filed trademark, and is designated for use on the same goods or services;
 - the registered trademark is subject to a court injunction; or
 - registration is improper for other reasons (according to the IPO's substantial review of solid facts and evidence at the time of examination on a case-by-case basis).
- Provisions governing the period - and the extension of such a period - within which an applicant may voice its reasons before the IPO rejects a trademark application have been included. A local applicant has one month to put forward its reasons, while a foreign applicant has two months. This period may be extended for an additional term, but thereafter no further extension will be granted without good cause.
- Provisions have been added detailing that an application for recording a trademark licence should indicate whether such a licence is exclusive or non-exclusive. Provisions detailing that the recorded term of a licence is limited to the term of the relevant trademark rights have

further been deleted. The agreed term of a licence may exceed the registered term of the relevant trademark rights. However, considering that the trademark rights are renewable by law after their expiration, the effect of the original licence contracts should not be affected and therefore no additional application for recording the licence is required.

- Provisions specifying the term of any pledge should be recorded, and that the term of pledge is restricted by the term of relevant trademark rights have been deleted. The term of a pledge's existence depends on the clearance of relevant collateralised debt. Once a trademark registration has been renewed, no additional application is required.

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