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Effect of market survey on determining trademark confusion

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A trademark cannot be registered if it is identical or similar to a third party's registered trademark or earlier filed trademark for the same or similar goods or services and a likelihood of confusion exists for relevant consumers. Additionally, a trademark cannot be registered if it is identical or similar to a third party's well-known trademark and a likelihood of confusion for the relevant public or a likelihood of dilution of the distinctiveness or reputation of the well-known trademark or mark exists, as stipulated in Articles 30-1(10) and (11) of the Trademark Act.

According to the Examination Guidelines on the Likelihood of Confusion published by the Intellectual Property Office, the examiners in charge - when evaluating whether two trademarks are likely to cause confusion - should take into consideration the following criteria:

- the distinctiveness of the trademarks;
- the degree of similarity between the trademarks;
- the degree of similarity between the goods or services;
- the status of the diversified operation of the prior rights holder;
- any circumstances of actual confusion;
- the extent to which relevant consumers are familiar with the trademarks concerned;
- whether the applicant has filed the application in good faith; and
- any other factors that may cause confusion.

With respect to circumstances of actual confusion, according to the guidelines, the party concerned may present a market survey as supporting evidence. Therefore, in trademark disputes market surveys are often used to support claims, to demonstrate either the actual confusion or the lack of a likelihood of confusion.

During trademark opposition proceedings in 2004 the Supreme Administrative Court pointed out that a market survey can be accepted as evidence only if it has probative value and shows no discrepancies. Where a market survey is incorrect in respect of the sample area or respondents, the survey will not be considered as reliable evidence with probative value.

In 2012 trademark opposition proceedings the IP Court cited the Supreme Administrative Court's opinions and specifically stated that the method of a market survey must comply with "the principle of a separate observation at different times and places". Since the market survey in this case required consumers to compare the two trademarks side by side, it violated this principle and was considered irrelevant.

According to the guidelines and the court's current practice, a market survey can assist in determining trademark confusion to a certain extent. However, it is not easy to present a valid and flawless market survey to support the relevant case.

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