



Consultation about Deletion of Article 20 of Fair Trade Law held in February

Since the amended Trademark Law brought into practice in 2003, there are overlaps between the Trademark Law and the Fair Trade Law. People have been confused with the legal interpretation and application of said two laws regarding the regulations about passing-off of symbols that represents one's goods/services. To solve the legal dispute arising therefrom, the Taiwan Intellectual Property Office (TIPO) and the Fair Trade Commission's (FTC), after discussions, decided to amend these laws.

Discussions with the title "The Famous Trademark and the Protection of Appearances of Products- Harmonization Consultations between the Trademark Law and the Fair Trade Law" were held twice by the TIPO and the FTC, the first one on December 22, 2004 and the second on May 24, 2005. The conclusions were reached that Article 20-I-3 of the Fair Trade Law in relation to the plagiarism of unregistered foreign well-known trademark should be deleted, and the protection of these trademarks should be regulated by the Trademark Law. Furthermore, the conditions of the application of Articles 20-I-1 and 2 of the Fair Trade Law should be clearer defined and more reasonable.

The draft Amendment to the Trademark Law announced in 2007 includes originally the protection of unregistered well-known trademark. However, after several expert meetings and public hearings, most participants disagree with said amendment based on the reason that if the unregistered well-known trademark is also protected by the Trademark Law, the core principal "who's registered, who's protected" of the Trademark Law would be destroyed. Therefore, the final draft sent to the Ministry of Economic Affairs for consideration does not include regulations to protect unregistered well-known trademarks.

The TIPO notified the FTC of the exclusion of the protection of unregistered well-known trademark from the draft Amendment to the Trademark Law as well as the experts' and public's opinions. However, in reply to the TIPO's notification, the FTC expressed their intention to delete Article 20 from the Fair Trade Law. Since the TIPO and the FTC hold different opinions about the issue "the plagiarism of the unregistered well-known trademark and other related acts of unfair competition shall be regulated by the Fair Trade Law from the point of view of unfair competition prevention", a consultation about said issue were held on February 9, 2010 by the TIPO, the FTC and several experts as well as scholars.

Most of the participants hold contrary opinion about the deletion of Article 20 and think that deleting Article 20-I-1 and 2 would result loss of the complement function of the

Fair Trade Law to the Trademark Law. Omissions and vulnerable points would occur in the mechanism for maintaining the market environment and market functions. It is therefore suggested that the Article 20-I-1 and 2 be retained, but its legal effects be adjusted. Concerning Article 20-I-3, in accordance with the content, its effectiveness has been covered by Article 20-I-1 and 2, so it is proposed to be deleted.

Although the draft Amendment to the Trademark Law eases the conditions of being registered as a trademark --any signs/symbols that make people recognize the sources of the goods/services can be registered as trademarks, it is only an enlargement of the scope of trademark types. The rights to cease infringement acts and to claim for damages caused by infringement are still limited to owners of registered trademarks. The draft Amendment to the Trademark Law still follows the principal of protecting the registered. However, the concept of a "trademark" cannot cover all the business symbols used in actual trade markets, such as "packaging, or appearance of another's goods, or any other symbol that represents such person's goods" indicated in the Fair Trade Law. Therefore, Article 20-I-1 and 2 should be retained, so right holders can have opportunities of ancillary remedies provided by Fair Trade Law.

The above mentioned opinions brought up in the consultation were expected to be taken into account within future amendment of the law by the FTC. We will keep you duly informed of any new developments regarding this issue.

Note:

Article 20-I of the Fair Trade Law:

No enterprise shall have any of the following acts with respect to the goods or services it supplies:

1. using in the same or similar manner, the personal name, business or corporate name, or trademark of another, or container, packaging, or appearance of another's goods, or any other symbol that represents such person's goods, commonly known to relevant enterprises or consumers, so as to cause confusion with such person's goods; or selling, transporting, exporting, or importing goods bearing such representation;
2. using in the same or similar manner, the personal name, business or corporate name, or service mark of another, or any other symbol that represents such person's business or service, commonly known to relevant enterprises or consumers, so as to cause confusion with the facilities or activities of the business or service of such person; or
3. using on the same or similar goods the mark that is identical or similar to a well-known foreign trademark that has not been registered in this country; or selling, transporting, exporting, or importing goods bearing such trademark.

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24hrs. Guarantee

eSky guarantees that trademark applications be filed and filing reports be provided by email **within 24 hours** counting from the time of receipt of filing instructions, if the following conditions are fulfilled. In case filing reports are not provided on time, a discount of **10 percent** off our service fee for single class application/the first class of multi-class application will be offered.



- 1.A clear specimen of trademark is provided.
- 2.A list of designated goods/services for filing including the international class in which the goods/services are classified is provided.
- 3.The number of goods/services per class is less than 20.
- 4.Applicant's full name and address are provided. (If said information in Chinese (Kanji or Kanja) is available, please provide it simultaneously.)
- 5.Required original Power of Attorney, which was executed within 5 years, was filed with the TIPO for former case(s); or it should be submitted after filing.
- 6.No review of the registrability of goods/services and no amendment suggestions thereof are required.
- 7.No review of the registrability of trademark and no suggestions thereof are required.
- 8.The trademark is a traditional mark. (In other words, three-dimensional trademarks, sound trademarks, scent trademarks, color trademarks, collective trademarks, certification marks, etc. are not suitable for this 24 hrs. Guarantee program.)
- 9.Filing instructions are received between Mondays and 10:30 a.m. Fridays (Taiwan local time), national holidays excluded.

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Time flies. One year has passed. eSky is now celebrating its anniversary. To share its joy and happiness as well as to appreciate all the supports it got in 2009, eSky decided to offer a special discount of **10 percent** off its service fee for the first class of every new trademark application. This discount is provided from March to end of May, 2010. If any detailed information is required, please contact eSky directly.