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Taiwan

Food and Agricultural Import Regulations and Standards

Registering Trademarks in Taiwan

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Report Highlights:

Recently, a Taiwan wholesaler improperly registered as trademarks 27 brands belonging to U.S. onion exporters, causing a trade disruption. To protect their brands, the Taiwan Intellectual Property Office (TIPO) strongly recommends that all U.S. exporters register their trademarks in Taiwan. This report outlines Taiwan's trademark registration procedures.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Taipei [TW1]

Taiwan Company Registers Trademarks and Disrupts Trade

On November 25-26, a Taiwan onion importer and a U.S. exporter notified AIT that Taiwan police were confiscating U.S. onions for trademark infringement. Taiwan's Intellectual Property Rights Office (TIPO) informed AIT that a relative of a Taiwan wholesaler had registered 30 different U.S., New Zealand and Japan onion brand names as his own trademarks on July 16, 2003. These registrations were granted even though they were submitted *en masse* and for brand names used by U.S. exporters for many years in the Taiwan market. On December 2, AIT was informed that the trademark registrant was supposedly asking NTD 2 million (~\$60,000) from each importer for permission to use "his" trademarks.

Although the police raids were not repeated, the ambiguous status of U.S. onion brands and trademarks in Taiwan temporarily disrupted trade and raised serious concerns amongst Taiwan traders. Beyond onions, the parasitical trademark registrations highlighted the vulnerability to other possible registrations of other U.S. fruit and vegetable brands marketed in Taiwan, creating the possibility of much larger trade disruptions in the future.

While Taiwan's regulations ban the registration of trademarks well-known in the trade, the onion trademark registrations went forward because TIPO lacked contacts in the fruit and vegetable trade and received no objections to the registrations. As a result, U.S. trademark holders will likely have to turn to legal channels to invalidate the Taiwan onion trademarks, a process that could take at least six months. AIT is working with TIPO and U.S. exporters and State offices to facilitate this process. To forestall future parasitical trademark registrations, AIT has given TIPO trade contacts that will allow them to verify the use of imported trademarks.

Protecting U.S. Trademarks and Brands

To protect U.S. brands and trademarks, TIPO strongly recommends that <u>all</u> U.S. exporters with a trademark, brand, variety or other related intellectual property rights (IPR) register them as trademarks as soon as possible. Although TIPO committed to conduct due diligence on further food related trademark registrations, the best way to protect an exporter's IPR is through registration. To facilitate this process, exporters should consider obtaining legal representation in Taiwan. An updated list of Taiwan Legal Services providers can be found on the U.S. Department of Commerce's BuyUSA.gov web site at:

http://www.buyusa.gov/taiwan/en/bsp.html?bsp_cat=80120000

To reduce costs, exporters and their associations may consider working together and/or with their State Representative Offices in Taiwan. Currently, Alaska, Arizona, Delaware, Florida, Hawaii, Idaho, Indiana, Kansas, Louisiana, Maryland, Missouri, Montana, Nevada, New Mexico, Oregon, Texas, Vermont, Washington and West Virginia have offices in Taiwan. The most current contact list is located at the American State Offices-Taiwan site:

http://www.asoataiwan.org/2003members_english.htm

Trademark Registration Procedures

This information below is taken from TIPO. Note that the trademark registration fee is NT\$4,000 (US\$120) for each registration, which must be translated into Chinese. TIPO also recommends that foreign firms appoint a local agent.

Further information on trademark registration can be found at:

http://www.tipo.gov.tw/eng/howto/procedures-t.asp

Registration of Exclusive Use of Trademark

A. Basis for Filing

Any entity that desires to introduce a mark to distinguish its goods from those of others with the intent to use the mark in commerce may apply for the registration of exclusive use of trademark in accordance with the Trademark Law.

B. Documentation:

- 1. Application form (available at BIP co-op at NT\$10 per copy or by mail order with the payment remitted to Postal Remittance Account No.: 0107027-2).
- 2. Fees: NT\$2,500 for each registration of principal or associated trademark, NT\$4,000 for each registration of defensive trademark, payable to "Intellectual Property Office, Ministry of Economic Affairs" in the form of personal check, cashier's check or postal remittance to Account No.: 0012817-7. (Note: A defensive registration may be used to prevent others from adopting marks that come too close to a firm's existing or future trademarks).
- 3. Trademark device, in 15 copies (use paper of sturdy material and smooth surface with approximately 5 cm in length and in width. If the trademark device is in color, submit additionally three copies of the device in black and white).
- 4. Document evidencing the intent to use in any of the forms provided below:

Foreign merchant:

- a. Corporate identification paper indicating the business of designated goods or proof of nationality.
- b. Declaration stating the business in connection with the designated goods.
- c. Photocopy of registration certificate of the same trademark under application that indicates designated goods issued by a major country or the applicant's home country.
- d. Information of the designated goods as advertised in newspaper or magazines (domestic and foreign) or product catalogue, in original.
- e. Articles of Incorporation or business registration certificate issued by the presiding authorities of the home country.
- f. In the event a subsidiary or a company under its holding is running the business of the designated goods, any of the documents described in a \sim e above as well as a document evidencing the relationship of subsidiary or holding.
- g. Business certificate may be exempted if the designated goods are readily discernible from the name of the corporate applicant.
- h. Translated text in Chinese if any of the aforesaid documents is presented in a foreign language.
- 5. Proof of scope of business is exempted for the registration of defensive trademark.

6. Power of attorney, if a trademark agent is appointed; applicant who has no domicile or business place in the Chinese Taipei should appoint an agent to act on his behalf.

C. Application Procedures:

- 1. Applicant may deliver a properly filled and signed application form, together with the required fees to the trademark receiving counter of IPO in person or by registered mail.
- 2. IPO will notify the applicant to submit additional documents or pay fees in full if the application or other proceedings do not conform to the established procedures or format, or fees are not paid in full, or the devices presented are unclear or incomplete, or the scope of business shown in the business certificate is not consistent with the designated goods. Please be noted that usually there is a time limit to comply with these instructions.
- 3. Any trademark application made and other proceedings instituted beyond the statutory or the designated period will be rejected. But the aforesaid provision does not apply where the delay is due to force majeure or other causes not attributable to the party concerned, and such fact has been proven true after investigation.
- 4. Once the trademark under application passes the examination, the trademark authority will, in addition to serving a written decision of approval to the applicant and his agent, publish it in an official gazette. Registration will be granted only if no opposition is instituted within three months from the publication by any interested party or if a decision dismissing such opposition has become final.