



Please rest assured that Taiwan IPO and our firm have been maintaining normal operation as the coronavirus pandemic spreads throughout the world.

When faced with the severe global health crisis triggered by the pandemic, please take good care of your health and stay healthy.

## **TIPLO News**

**FEBRUARY 2021 (E255)**

*This news mail distributed in Japanese and English from time to time provides updates on the development of law in Taiwan with focus on intellectual property rights law. For more information about the status of intellectual property right protection and practice in Taiwan, please visit our website [www.tiplo.com.tw](http://www.tiplo.com.tw)*

### ***Topics in this issue***

- 01 Giga Solar Materials Corp. and Pancolour Ink Co., Ltd. reach a settlement in trade secret infringement case**
- 02 Notice given for commencing a period of public comments for draft amendment to partial provisions of Taiwan Patent Act**
- 03 Local well-known bookstore, Eslite wins trademark infringement lawsuit against Champion Moving Company and receives monetary award**
- 04 Local famous auction group ordered to pay TWD9.08 million to Louis Vuitton Malletier for economic right and trademark right infringement**
- 05 Key points of draft amendment to partial provisions of Trademark Act published**

#### **E210112X4**

- 01 Giga Solar Materials Corp. and Pancolour Ink Co., Ltd. reach a settlement in trade secret infringement case**

Giga Solar Materials Corp. (hereinafter referred to as “Giga Solar”) announced on January 11, 2021 that they have reached a settlement with Pancolour Ink Co., Ltd. (hereinafter referred to as “Pancolour Ink”) on the case involving the trade secrets with respect to the manufacturing information of conductive aluminum paste for solar cells.

Giga Solar has formally signed a settlement agreement that incorporates confidentiality clauses with Pancolour Ink, the president and all related managers of Pancolour Ink. According to the agreement, Pancolour Ink agrees to pay settlement amount to Giga Solar and Giga Solar agrees to withdraw all actions pending at the

court. The terms of the agreement are confidential for containing the trade secrets of the parties concerned. (Released 2021.01.12)

/CCS

## **E201230Y1**

### **02 Notice given for commencing a period of public comments for draft amendment to partial provisions of Taiwan Patent Act**

As indicated in Taiwan IPO's announcement on December 30, 2020, the industry, experts and scholars have been giving advice to the Chinese National Federation of Industries and the Public Policy Participation Network Platform of the National Development Council that a patent remedy system more fit in with local industrial needs should be established by taking the patent system of Japan, the U.S., Germany as reference.

To better the proposed patent remedy system and to keep abreast with international practice and by taking the patent remedy system of Japan, the U.S., and Germany as reference, Taiwan IPO has been cautiously deliberating on the direction of changing the patent remedial mechanism of Taiwan by strengthening the competent authority's examination and deliberation procedures and revising the remedial levels and litigation proceedings for patent-related cases and also proposing other amendments with respect to relevant matters with a view to safeguarding people's remedial rights as required by the Constitution and elevating efficiency.

Main points of the draft amendment to the Patent Act are summarized below.

1. Consolidated remedy procedures: Those who contest patent authority's decisions on patent applications and patent disputes involving validity issue may directly initiate legal proceedings without going through administrative appeal procedure.
2. Reform of litigation system: The litigation procedure for patent remedy is restructured to have cases involving patent dispute examined in civil proceedings, instead of administrative proceedings currently adopted.
3. Dispute involving the ownership of the right to file patent application should be resolved and settled by civil proceedings.
4. The grace period for design patent applications is extended to twelve (12) months.

The Taiwan IPO has compiled and proposed the draft amendment to partial provisions of the Taiwan Patent Act after taking reference from the legislation and practice of Japan, the U.S., and Germany, holding several meetings with relevant experts for consultation, by consulting and discussing with the Judicial Yuan, the IP Court and the Petitions and Appeals Committee under the MOEA, and also by taking into account of and evaluating the condition and practical needs of Taiwan. (Released 2020.12.30)

/CCS

## **E210115Y2**

### **03 Local well-known bookstore, Eslite wins trademark infringement lawsuit against Champion Moving Company and receives monetary award**

For the trademark infringement lawsuit initiated by Eslite Corporation (hereinafter “Eslite”) against Champion Moving Company (including another company whose Chinese company name is 誠品優質包裝有限公司; hereinafter collectively referred to as “Champion”) and its responsible person, the IP Court in the second instance proceedings reversed the first instance judgment by ruling that Champion should be enjoined from using any mark identical or similar to Eslite’s registered two Chinese characters mark “誠品”, “誠品 eslite”, and “誠品物流” (literally meaning “Eslite logistics” in Chinese) (hereinafter collectively referred to as the “Eslite marks”) for the services categorized in Class 8, Class 35, and Class 39. Also, the IP Court ordered that Champion should change its company name, remove or destroy all signboards, business cards, advertisements, web pages, and any other marketing items carrying or containing the mark identical or similar to Eslite marks and should pay TWD3 million in damages to Eslite. The IP Court’s first instance judgment should be vacated accordingly.

As elaborated in the judgment, Champion used the two Chinese characters, “誠品” alone on the truck for moving business, on the cardboard boxes for transportation, and on employee uniform. It is self-explanatory that Champion used the two Chinese characters, “誠品” as a trademark for designating the source of its products and services. Eslite, however, has registered the two Chinese characters, “誠品” as a trademark since 1989 (filing date on March 4, 1999) with one of its registration numbers, No. 143088 for use on the designated service of packaging for product transportation under Class 39. In this regard, Champion’s use of the mark identical to the two Chinese characters mark “誠品” (the earlier trademark) for business that is identical or highly similar to that of Eslite, obviously leads to violation of the Taiwan Trademark Act.

Besides, the two Chinese characters mark, “誠品” had already been a well-known and multi-class trademark familiar to consumers before Champion’s establishment. Fully aware of the two Chinese characters mark “誠品” being a famous trademark owned by Eslite, Champion still used “誠品” as company name and therefore led to a likelihood of consumers’ confusion and impaired Eslite’s business reputation. (Released 2021.01.15)

/CCS

**E210115Y2**

**E210115Y3**

**04 Local famous auction group ordered to pay TWD9.08 million to Louis Vuitton Malletier for economic right and trademark right infringement**

The trademark infringement lawsuit filed by Louis Vuitton Malletier against the local well-known auction group, Bang Master Group (hereinafter referred to as “Bang Master”) has been finalized with the appeal being dismissed by the Taiwan Supreme Court. Louis Vuitton Malletier filed a lawsuit with the IP Court to claim damages against Bang Master by the reason that Bang Master took a free ride on Louis Vuitton Malletier’s business reputation by, without Louis Vuitton Malletier’s prior consent and authorization, using Louis Vuitton Malletier’s photographic works and LV mark in the books, posters, and teaching materials published by Bang Master. The IP Court sustained Bang Master’s infringement upon Louis Vuitton Malletier’s trademark right and economic right in the first and second instance proceedings and thus awarded damages of TWD9,080,000 to Louis Vuitton Malletier payable by Bang Master and its responsible person. According to the judgment, Bang Master should also publish the

gist of the judgment in local newspapers.

Louis Vuitton Malletier asserted that Bang Master, without the Louis Vuitton Malletier's prior consent and authorization, used Louis Vuitton Malletier's photographic works, audio and video works, and LV mark in Bang Master's books, promotional posters for auction, teaching materials for its luxury goods authentication sessions, and also on the door of its store located in Taoyuan, for which Louis Vuitton Malletier filed an infringement lawsuit for seeking damages against three companies, association, and responsible person of Bang Master's group in an accumulated amount of TWD30 million or more calculated by TWD500,000 per infringing picture and a multiplier of 1500 for the retailing price of Bang Master's books.

Bang Master's responsible person argued that it is impossible for him, as a responsible person, to personally take care of every single matter of his company nor instruct any employee to use the pictures of LV products. He also maintained that anyone can take pictures of the arrangement and decoration of LV stores and bags, and he did not commit unauthorized use of Louis Vuitton Malletier's copyrighted works. In addition, the books he published are to show people how to identify counterfeit LV products, which only brings benefits to LV products, not infringement.

The IP Court affirmed in the first instance proceedings that Bang Master infringed upon Louis Vuitton Malletier's economic rights by using, without due authorization, Louis Vuitton Malletier's photographic works in Bang Master's books, posters, teaching materials and also by presenting a colored drawing of LV bags on the door of its store, and that Bang Master also infringed upon Louis Vuitton Malletier's trademark rights by using the LV mark without due authorization in books and advertising cards, and therefore, for the foregoing wrongdoing, Bang Master should be held liable for damages to Louis Vuitton Malletier in an amount of TWD9,080,000 and should publish the gist of the IP Court judgment in local newspapers. Two appeals against the IP Court judgment to the IP Court in the second instance and to the Supreme Court were unsuccessful and the IP Court judgment is upheld at last. The IP Court judgment establishing Bang Master's infringement becomes final accordingly. (Released 2021.01.15)

/CCS

**E210107Y2**

## **05 Key points of draft amendment to partial provisions of Trademark Act published**

As indicated in Taiwan IPO's announcement on January 7, 2021, the industry, experts and scholars have been giving advice to the Chinese National Federation of Industries and the Public Policy Participation Network Platform of the National Development Council that a trademark remedy system more fit in with local industrial needs should be established by taking the trademark system of Japan, the U.S., Germany as reference.

To better the proposed trademark remedy system, to keep abreast with international practice and by taking the trademark remedy system of Japan, the U.S., and Germany as reference, Taiwan IPO has been cautiously deliberating on the direction of changing the trademark remedial mechanism of Taiwan by strengthening the competent authority's examination and deliberation procedures and revising the remedial levels and litigation proceedings for trademark-related cases and also proposing other amendments of relevant matters with a view to safeguarding people's remedial rights as required by the Constitution and elevating efficiency.

Main points of the draft amendment to the Trademark Act are summarized below.

1. Consolidated remedy procedures: Those who contest trademark authority's decisions on trademark registration applications and trademark disputes involving validity issue may directly initiate legal proceedings without going through administrative appeal procedure.
2. Reform of litigation system: The litigation procedure for trademark remedy is restructured to have cases involving trademark dispute examined in civil proceedings, instead of administrative proceedings currently adopted.
3. Removal of opposition proceedings: The removal of opposition proceedings is proposed on the grounds that (1) the third-party observation mechanism has been introduced in trademark registration application examination procedure as reference of examination, and (2) the current requirements and actionable grounds for opposition are mostly the same as those for invalidation, which is currently and statutorily available only to an "interested party", and that brings out a fact that approximately 97% of accumulated opposition cases were filed based on relative grounds for refusal. Therefore, the proposed amendment consolidates the dispute proceedings by repealing opposition and leaving invalidation and cancellation proceedings.

The Taiwan IPO has compiled and proposed the draft amendment to partial provisions of the Taiwan Trademark Act after taking reference from the legislation and practice of Japan, the U.S., and Germany, holding several meetings with relevant experts for consultation, by consulting and discussing with the Judicial Yuan, the IP Court and the Petitions and Appeals Committee under the MOEA, and also by taking into account of and evaluating the condition and practical needs of Taiwan. (Released 2021.01.07)

/CCS

Attorneys-at-Law

**TIPLO**  
Attorneys-at-Law  
Since 1965

台灣國際專利法律事務所

TAIPEI MAIN OFFICE  
7<sup>th</sup> Floor We Sheng Building,  
No.125, Nanking East Rd. Sec.2,  
P.O.BOX 39-243, Taipei 10409, Taiwan  
Tel: 886-2-2507-2811 • Fax: 886-2-2508-3711  
E-mail: [tiplo@tiplo.com.tw](mailto:tiplo@tiplo.com.tw)  
Website: [www.tiplo.com.tw](http://www.tiplo.com.tw)

TOKYO LIAISON OFFICE  
No.506 Lions Mansion ,  
13-11, Shinjuku 2-Chome,  
Shinjuku-ku, Tokyo 160-0022, Japan  
Tel: 81-3-3354-3033 • Fax: 81-3-3354-3010