

Case Anatomy: Cross-Border Trademark Infringement & Jurisdiction

Analysis of Intellectual Property and Commercial Court
2022 Civil Trademark Litigation No. 32

Core Statutes: Trademark Act Articles 68 & 69
Source: Official Court Rulings & Judgment
Analysis Records (ROC Year 111/112)



The Contenders: A Pre-Existing Relationship



Location: Taiwan

Business: Retail/Wholesale of auto parts & rubber products.

Status: Original Trademark Owner. ✓



Entity: Xiamen Urban Car Lovers Trade Co., Ltd.

Representative: Chen O-Sheng

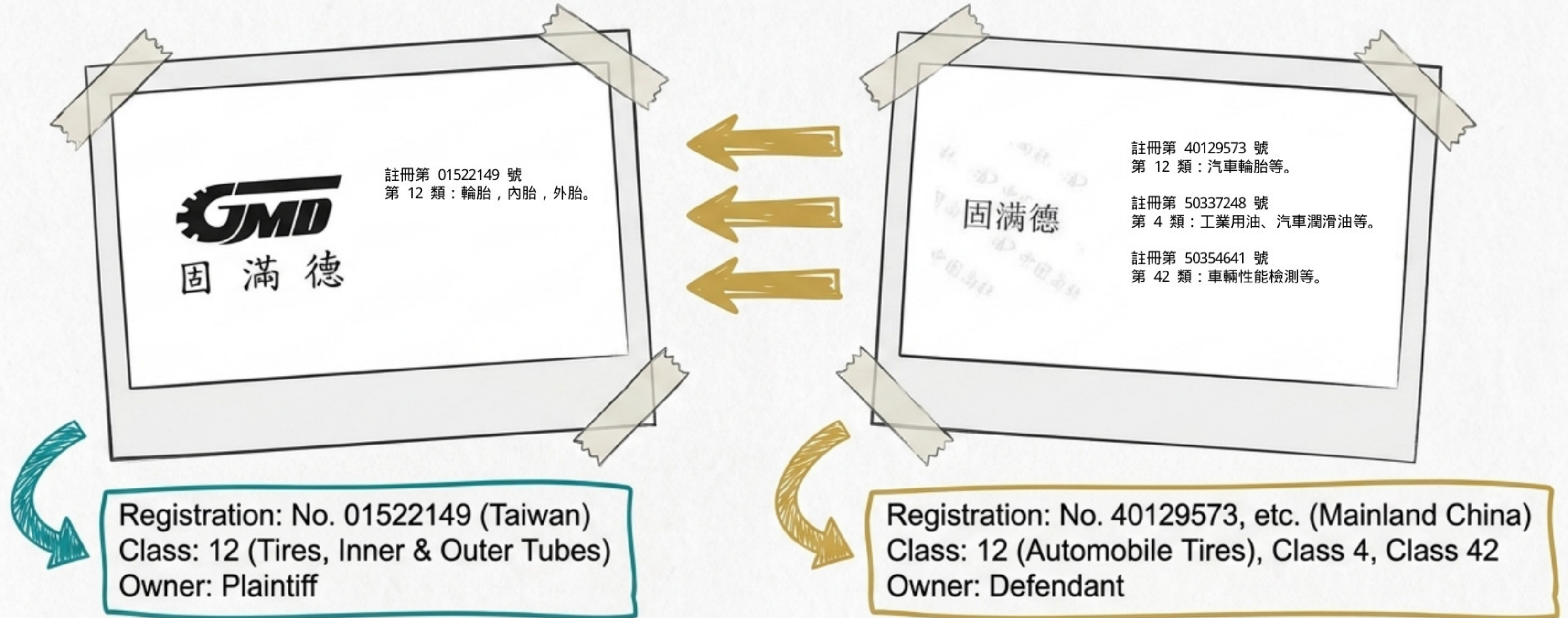
Location: Xiamen, Fujian Province, Mainland China.

Status: Competitor & Former Licensee.



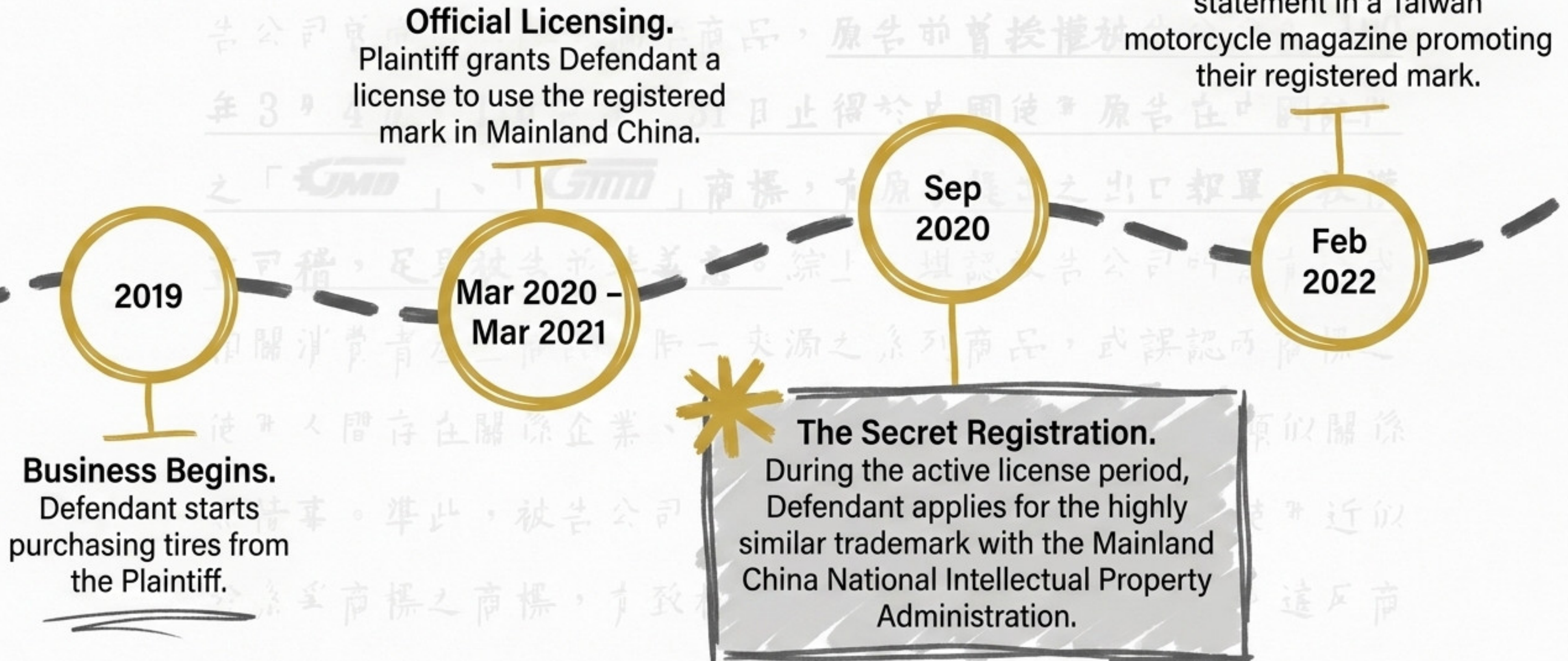
Crucial Context: The Defendant was not a random entity. They had been purchasing tires from the Plaintiff since 2019.

The Assets in Dispute



Highly Similar Marks + Identical Goods = High Likelihood of Confusion.

The Timeline of Bad Faith



The Core Legal Battleground

Issue 1: Jurisdiction



Does the Taiwan Court have jurisdiction over a Mainland Chinese company claiming the doctrine of Forum Non Conveniens?

Issue 2: Trademark “Use”



Did the Defendant’s actions—specifically magazine statements and cross-border e-commerce listings—constitute actual ‘use’ of the trademark for sales within Taiwan?

The Defendant's Shield: Three Primary Defenses



1. Territorial Isolation

"We only sell tire products in Mainland China, not Taiwan."

2. 'Informational' Use Only

"The February 2022 magazine statement was merely to inform the public about our Mainland China registration certificate. It was not a sales advertisement."

3. Doctrine of Forum Non Conveniens

"Our principal office is in Xiamen. The Plaintiff must sue in a Mainland Chinese court, as Taiwan is an inconvenient forum."

The Court's Gavel: Ruling on Jurisdiction



Rejection of Forum Non Conveniens: The Court firmly rejected the Defendant's plea to move the trial.

The Legal Anchor

- Taiwan Code of Civil Procedure Article 15(1): Jurisdiction lies with the court where the tortious act occurred.
- Supreme Court 2021 Civil Ruling Tai-Kang No. 1322: Courts should not refuse jurisdiction if the tort occurred locally, ensuring evidence proximity and victim relief.

Conclusion: Because the infringement (marketing to Taiwan consumers) and resulting damage occurred in Taiwan, Taiwan law applies.

Defining 'Use': The Evidence Board

Evidence A: The Magazine Statement (Two-Wheels Magazine)



...please feel safe to buy tires printed with this wording.

Court's finding: This is not merely informational; it is active commercial advertising indicating the source of goods.

Evidence B: E-Commerce Offer to Sell



Export origin explicitly noted as China.

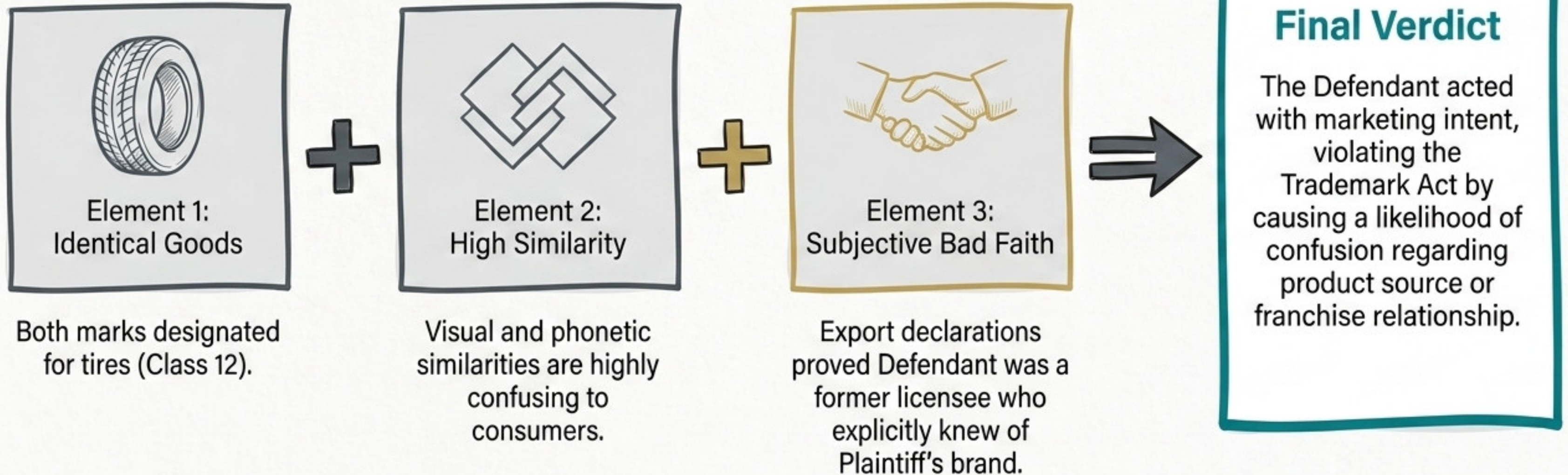
Action: The Court conducted an in-session online verification.

Court's finding: Found active listings for the disputed tires, proving intent to sell to Taiwan consumers.

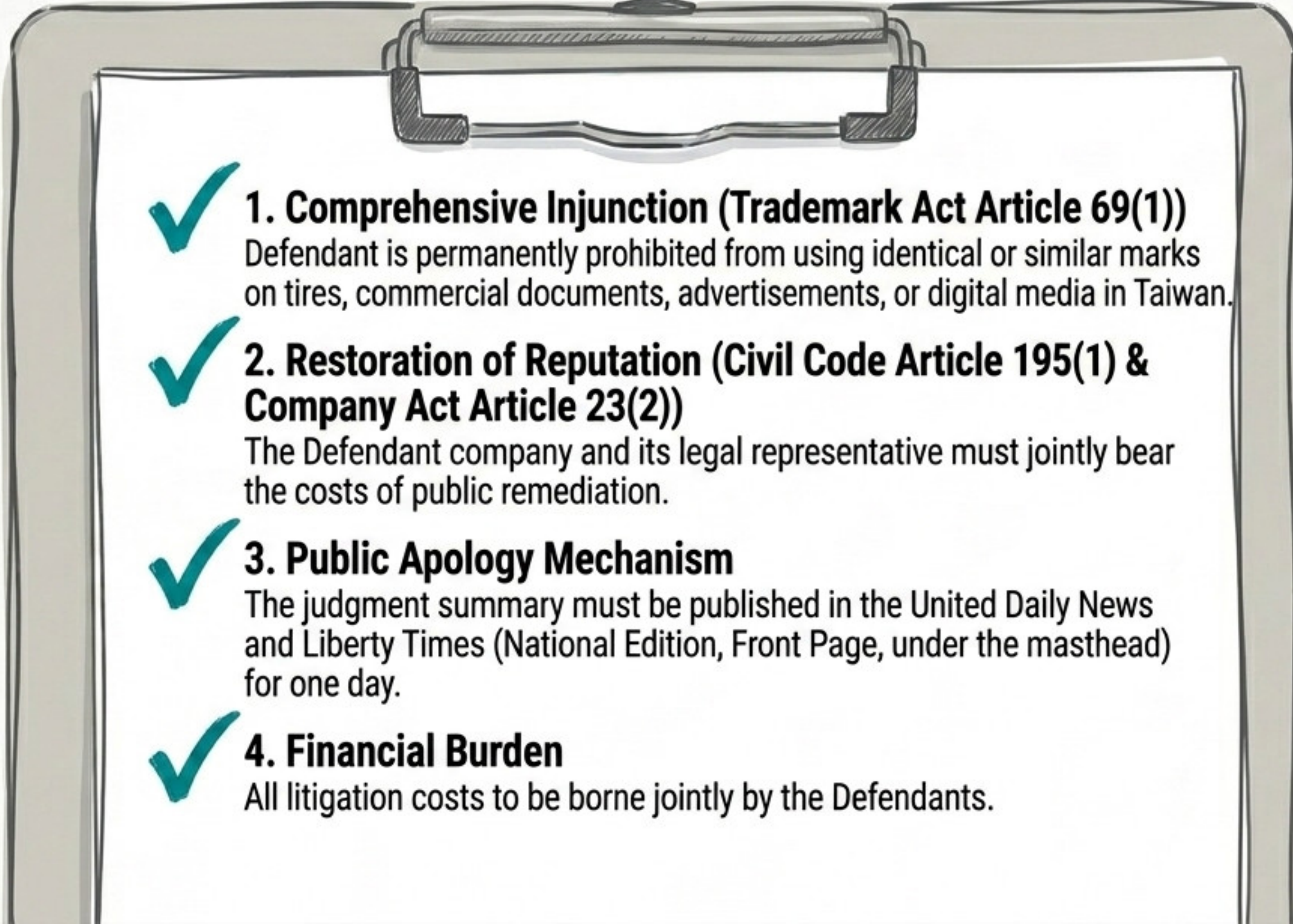
The Verdict on Use: Both actions constitute commercial trademark use under the Trademark Act.

Establishing Infringement & Bad Faith

Statute: Trademark Act Article 68, Subparagraph 3



The Final Gavel: Remedies Awarded

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- ✓ **1. Comprehensive Injunction (Trademark Act Article 69(1))**
Defendant is permanently prohibited from using identical or similar marks on tires, commercial documents, advertisements, or digital media in Taiwan.
 - ✓ **2. Restoration of Reputation (Civil Code Article 195(1) & Company Act Article 23(2))**
The Defendant company and its legal representative must jointly bear the costs of public remediation.
 - ✓ **3. Public Apology Mechanism**
The judgment summary must be published in the United Daily News and Liberty Times (National Edition, Front Page, under the masthead) for one day.
 - ✓ **4. Financial Burden**
All litigation costs to be borne jointly by the Defendants.

Key Takeaways & Strategic Lessons



Cross-Border Jurisdiction is Sticky

Foreign entities cannot use the Doctrine of Forum Non Conveniens to escape liability if their marketing (magazines) or e-commerce listings target Taiwan. The location of the tortious act grants local jurisdiction.



Former Ties Prove Bad Faith

Prior business relationships (licensing or supply agreements) serve as undeniable evidence of “subjective bad faith” when a partner attempts to squat on a trademark in another territory.



The Broad Net of “Use”

Trademark use is not limited to physical storefronts. Publishing “informational statements” in local media or listing products on cross-border platforms (like Shopee) constitutes active “marketing intent” under the Trademark Act.