



Boundaries of Secondary Liability in the Digital Age

Aiding & Abetting via SMS Verification: An Educational Analysis

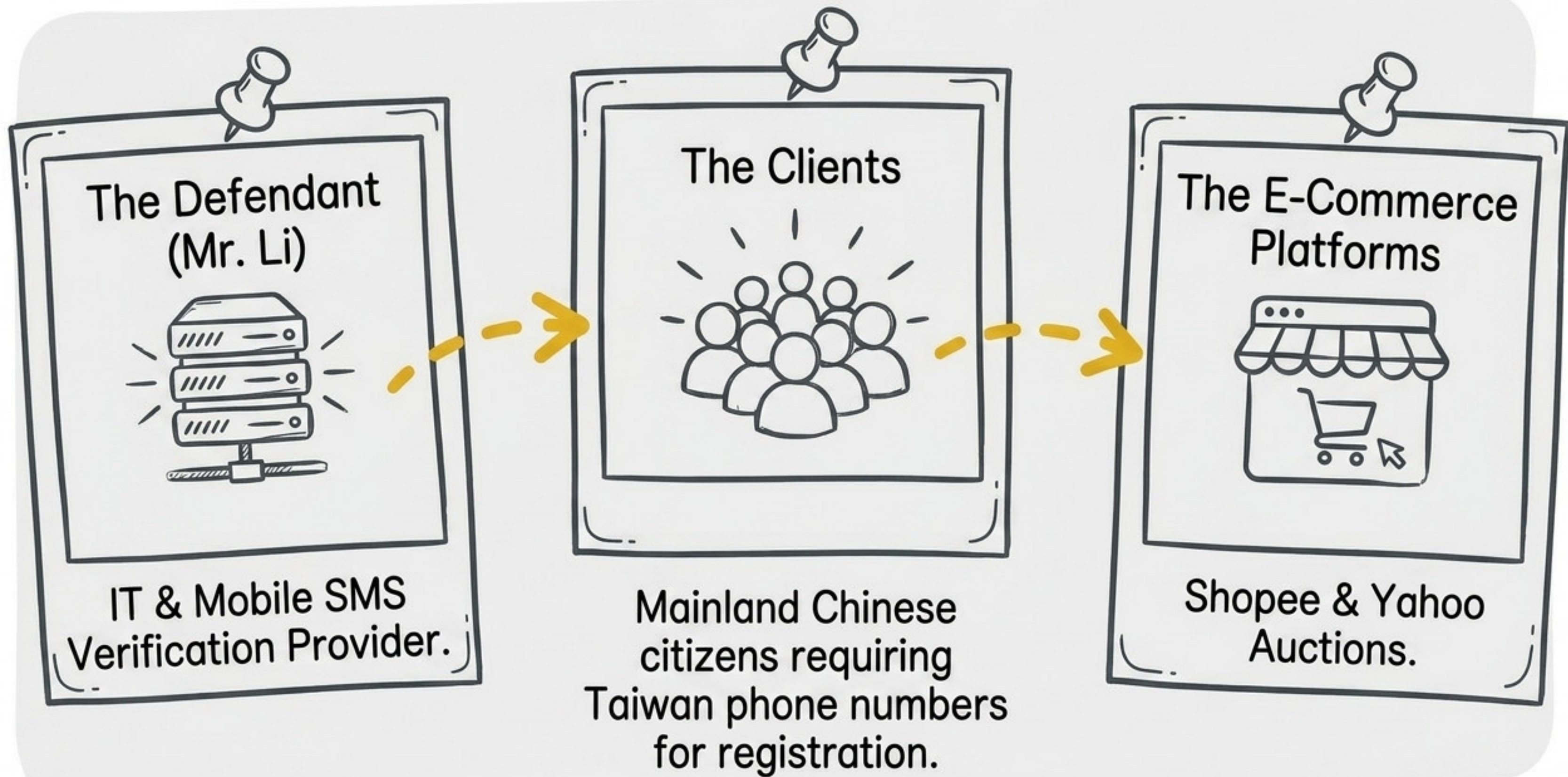
Source: Intellectual Property and Commercial Court,
2022 Criminal IP Appeal No. 13 (August 2, 2023)



The Core Legal Question

If an IT business provides anonymous SMS verification codes to foreign users, and those users subsequently sell counterfeit goods, is the service provider guilty of 'Aiding and Abetting'?

Governed by:
Trademark Act
Article 97



The Verification Business Model

Step 1: Mainland Clients require access to Taiwan-based e-commerce platforms.

Step 2: Mainland Partners act as brokers.

Step 3: Defendant generates a One-Time Password (OTP) via local dummy telecom numbers.

Step 4: The verification code is transmitted via the "QQ" App. Defendant charges exactly 20 RMB per code



CRITICAL GAP:
Defendant maintained absolutely zero direct contact with the end-users.

The Underlying Offense

Unknown end-users exploited the verified accounts to anonymously display and sell unauthorized goods online.



Direct violations included Copyright infringement and Trademark Act Article 97.

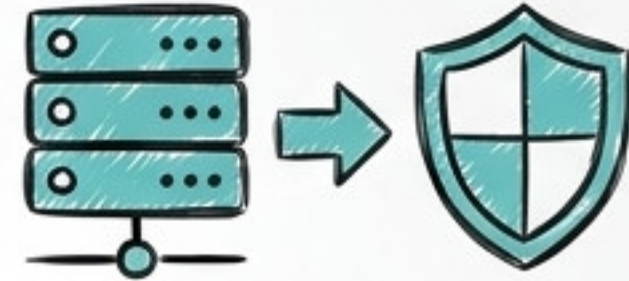
The Prosecutor's Stance



Assumption of Guilt

Supplying **dummy numbers** intentionally aids anonymity. The provider possessed "**Uncertain Intent**" and should have foreseen the accounts would be used for illegal acts.

The Defendant's Stance



Neutral Service Provider

We provide **foundational IT verification**. It is **impossible to foresee** or **control** a user's future actions—whether they shop normally or sell fakes.

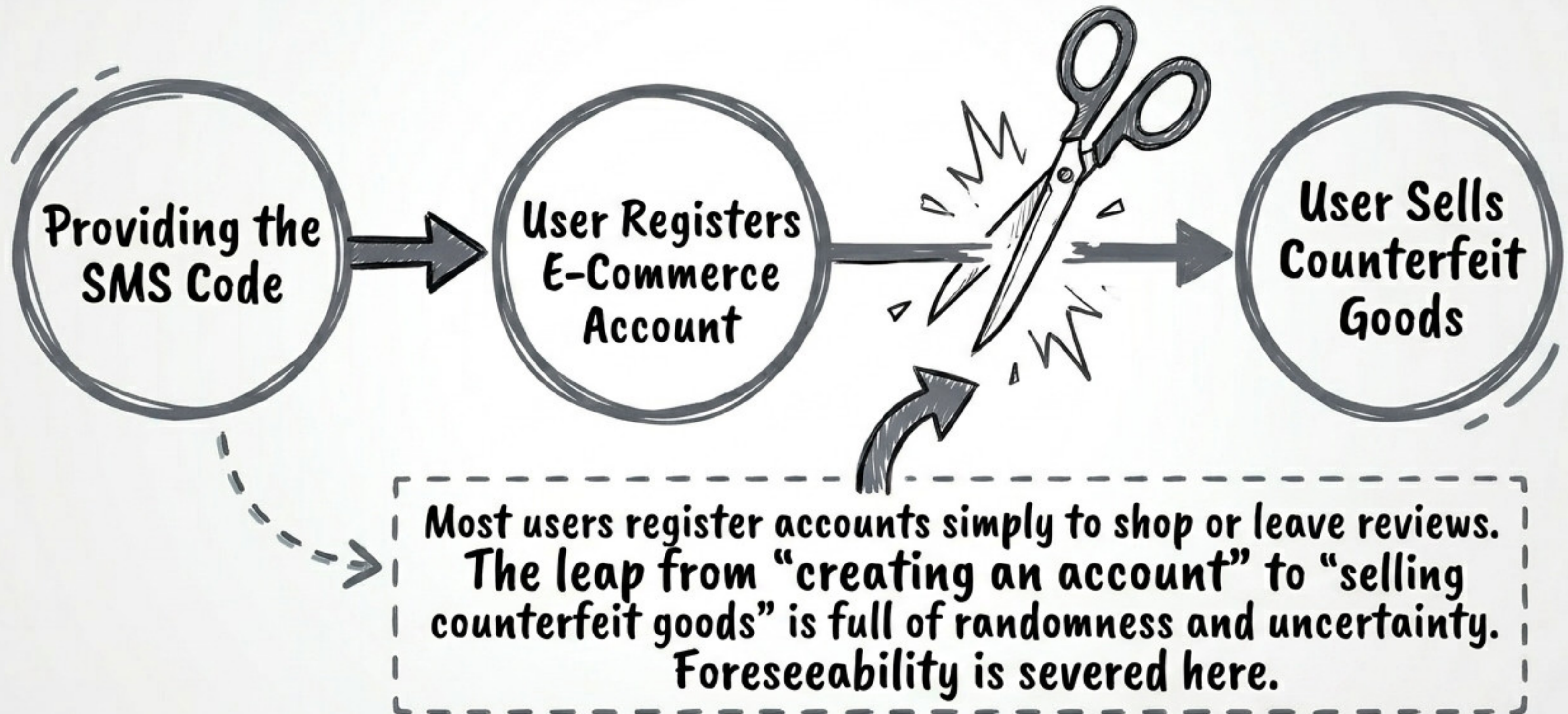
Judicial Reasoning Part I: The Business Reality



Cross-strait telecommunication restrictions physically prevent Mainland citizens from obtaining Taiwan phone numbers directly.

Providing “One-Time Password” (OTP) rentals is recognized as a logical, market-driven business response to this barrier. It is NOT an inherently criminal enterprise.

Judicial Reasoning Part II: Breaking the Causal Chain



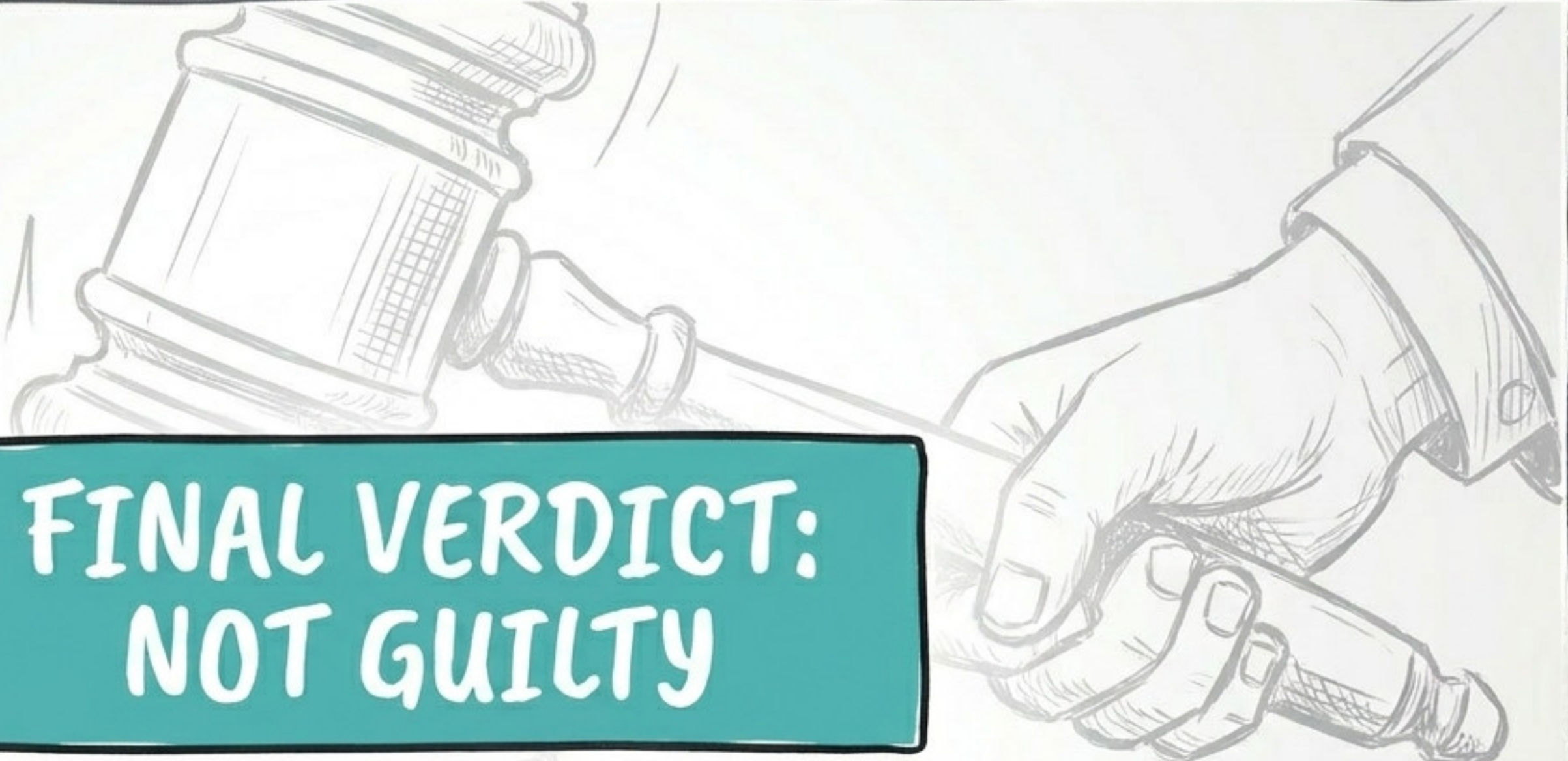
Judicial Reasoning Part III: Presumption of Innocence

Objective Standard:
Zero objective participation in the actual infringement. The defendant never uploaded photos or facilitated the sales.



Subjective Standard:
Zero subjective subjective intent. Automated IT services do not prove a malicious desire to "let the crime happen."

Under the Presumption of Innocence, secondary liability cannot be assumed merely from the provision of telecom tools.

A hand holding a gavel, about to strike a block. The gavel is positioned above a rectangular block, and the hand is shown in a dynamic, swinging motion. The background is a light gray with some sketchy lines suggesting motion or impact.

FINAL VERDICT: NOT GUILTY

All prosecutorial appeals dismissed.

**Defendant Li and associated companies are
entirely cleared of aiding and abetting trademark
and copyright infringement.**

Judgment Takeaways & Business Implications

Neutral Tech: Providing foundational IT services (like SMS verification) does not automatically equate to secondary liability for users' subsequent actions.

Limits of Foreseeability: Prosecutors must definitively prove "Uncertain Intent"—that the provider explicitly knew and accepted the specific illegal outcome, not just a generalized risk of user anonymity.

Strict Legal Boundaries: Aiding & Abetting under Trademark Act Article 97 requires a direct, provable causal nexus between the service provided and the specific infringement act.