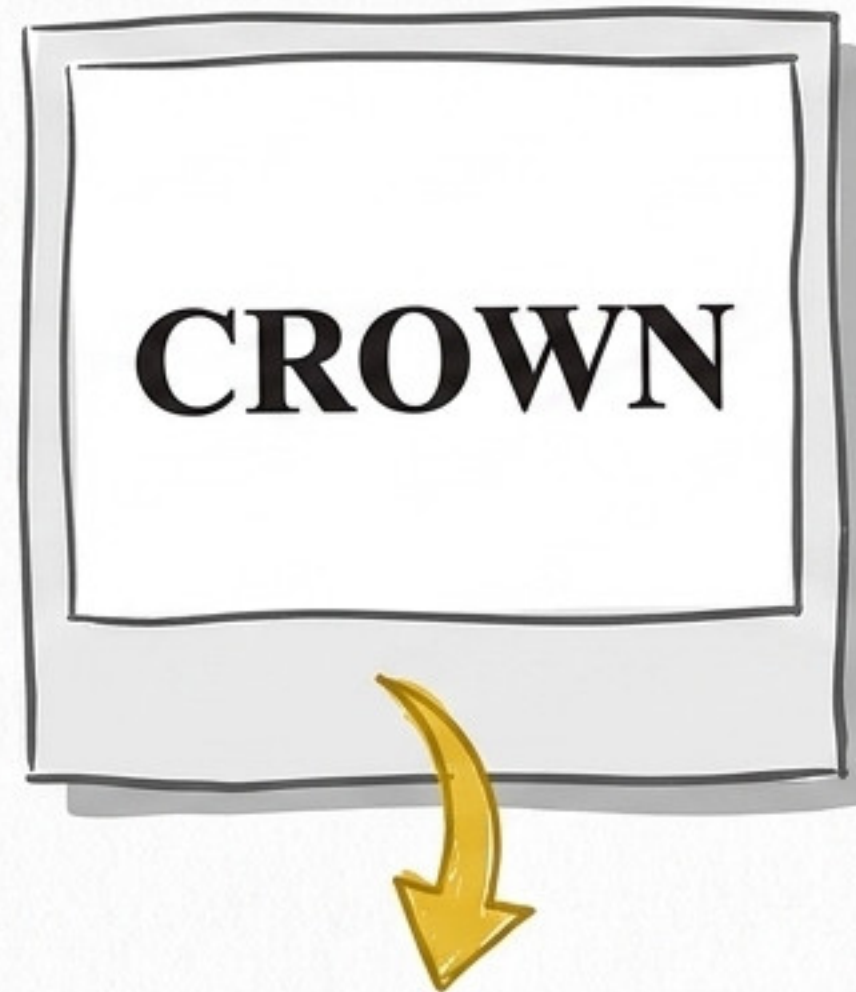


THE CROWN TRADEMARK DISPUTE

Navigating Cross-Border Services and Genuine Use



Source: Intellectual Property and
Commercial Court Administrative
Judgment
Case No.: 112-Xing-Shang-Su-14
Decision Date: Reference 113060302

Core Question: Can a trademark be recognized as having Genuine Use in Taiwan if the physical hospitality services are delivered 7,000 kilometers away?

THE SUBJECT OF DISPUTE



CROWN

The Asset

Trademark: CROWN (Reg. No. 00104570)

Owner: Crown Melbourne Limited (Intervenor)

Designated Services (Class 42): Hotels, Motels, Restaurants, Cafes, Cold/Hot Beverage Shops, Beerhouses, Bars.



The Legal Threat

Applicant: The Plaintiff

Action: Application for Revocation
(Filed: April 20, 2020)

Legal Basis: Trademark Act §63 I (2)

Grounds: The trademark has not been put to Genuine Use in Taiwan for a continuous period of 3 years preceding the application.

THE BATTLE LINES: DEFINING GENUINE USE

The Plaintiff's Stance

- **Strict Physicality:** The hotel is physically located in Australia. Zero physical service branches exist in Taiwan.
- **Hidden Contracts:** B2B commercial contracts are just foreign corporate communications, entirely unseen by local consumers.
- **Platform Confusion:** Consumers on booking sites only recognize the platform's trademark (e.g., ezTravel), not the specific hotel's mark.

VS.

The Trademark Owner's Stance

- **Economic Reality:** Marketing, booking, and transactions occur directly within the Taiwanese market.
- **B2B Partnerships:** Local travel agencies actively package and sell the CROWN experience to Taiwanese tourists.
- **B2C Engagement:** Taiwanese consumers actively search, book, and review CROWN properties on localized platforms.

EVIDENCE ROUND 1: THE B2B CHANNEL

The Evidence: 2018–2019

Exhibit C-5: 2019 Hotel service cooperation contracts between the Owner and Lion Travel.

Exhibit C-10: Lion Travel website (updated Jan 2018) promoting Australian tours: Specially enjoy CROWN PLAZA or JUPITER hotel buffet...

Plaintiff's Cross-Examination

These are foreign English contracts. CROWN PLAZA is just a corporate name, not a trademark use.

The Court's Ruling

Validated Transaction: Lion Travel (a Taiwanese entity) legally executed these contracts and paid for rooms in Nov 2019.

Consumer Recognition: Consumers rely on the word CROWN to identify the source of the hospitality service, regardless of the travel agency's branding co-existing on the page.

EVIDENCE ROUND 2: THE B2C CHANNEL



The Evidence: 2017-2022

Exhibit C-12: 2017 & 2018 records of Taiwanese consumers booking Crown Towers Melbourne via ezTravel and Tripadvisor, followed by user reviews.

Plaintiff's Cross-Examination

Consumers only recognize the ezTravel or Tripadvisor trademarks.

These platforms just redirect users; it's not the Owner conducting business in Taiwan.

The Court's Ruling

Maintained Identity: Minor visual variations (Crown vs. CROWN) do not destroy trademark identity.

Co-existence Principle: The presence of the booking platform's trademark does not erase the consumer's ability to recognize CROWN as the source of the specific hotel service.

THE COURT'S LENS: DECONSTRUCTING THE TRANSACTION

Taiwan: The Transaction Hub

- Search & Discovery (Marketing)
- Reservation (Booking)
- Economic Exchange (Payment)



Cross-Border Commercial Flow

Australia: The Physical Delivery

- Check-in & Accommodation
- Dining & Entertainment



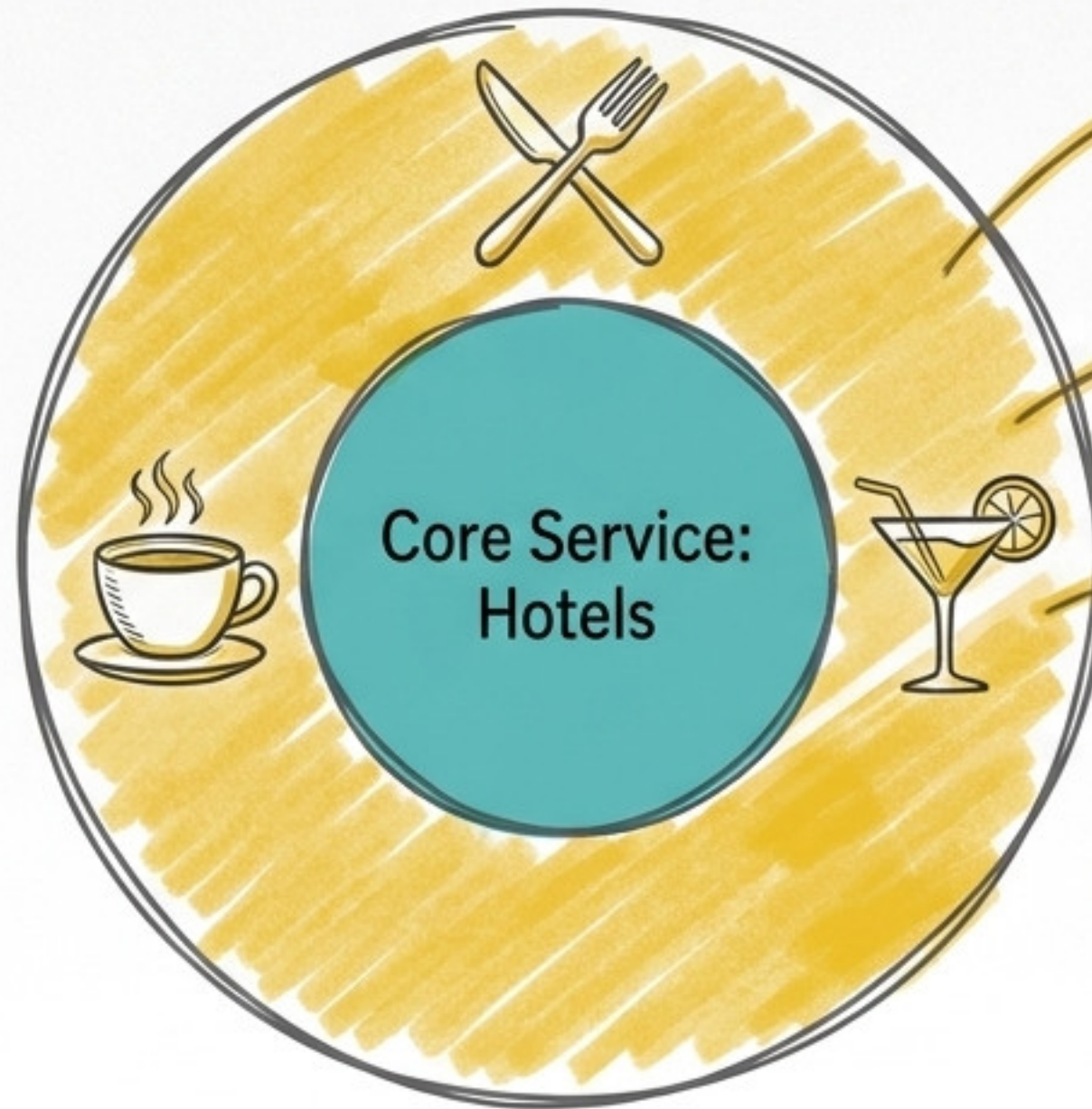
Because a crucial segment of the commercial transaction is completed **within Taiwan**, the trademark actively **creates a market** and **commercial channel** locally.

Conclusion: This satisfies the Territoriality Principle under Trademark Act §5.

EXPANDING THE SCOPE: ANCILLARY SERVICES

The Legal Question:

Does proving Genuine Use for Hotels automatically protect the trademark for Restaurants and Bars?



The Court's Ratiocination

- **Shared Consumer Needs:** Hotels and F&B services both fulfill consumer needs for food, drink, and entertainment.
- **Integrated Brand Identity:** Evidence (Exhibits C-3, C-14, C-15) demonstrates CROWN is a comprehensive, interconnected hospitality brand.
- **Physical Co-location:** The hotel premises physically house and market these dining and entertainment options.

Result: Use of the trademark for the hotel legally sustains the registration for the associated F&B services within the same Class 42.

THE FINAL VERDICT & STRATEGIC TAKEAWAYS



1. The Verdict

- Plaintiff's Suit Dismissed.
- The CROWN trademark registration is upheld. There is no application of Trademark Act §63 I (2) for revocation.

2. Core Legal Principle

Modern Territoriality: Genuine Use (Trademark Act §5) does not strictly require a physical brick-and-mortar presence in the jurisdiction.

If a brand utilizes local B2B partners or global B2C platforms to market, accept bookings, and process transactions locally, it holds economic meaning in that territory.

3. Strategic Implications for Brand Owners

Digital Footprints Matter: Retain localized marketing records, localized B2B contracts, and evidence of local consumer reviews (e.g., Tripadvisor).

Umbrella Protection: Proving Genuine Use of an anchor service (like a hotel) can legally shield closely integrated ancillary services (like restaurants and bars) under the same brand umbrella.