

Corporate Liability in IP Law

A Case Study on Procedural Errors
and Statutory Interpretation

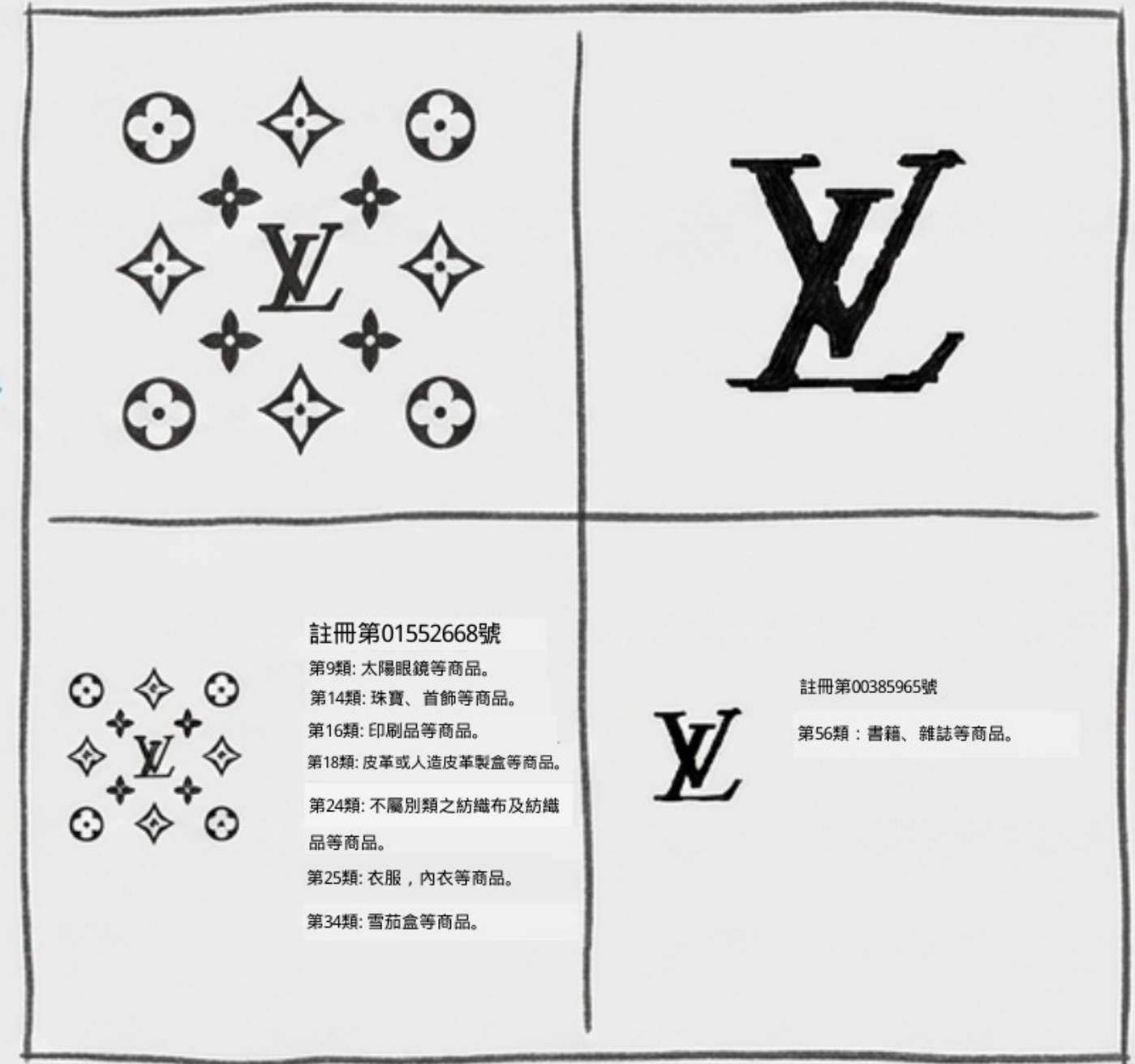
Supreme Court Criminal Judgment
113-Tai-Fei-62 (Extraordinary Appeal)

The Incident: Unauthorized Trademark Use

May 9, 2014

The representative of Abangshi Co., Ltd. directed an employee to use registered Louis Vuitton trademarks on a promotional card titled: "LV Anti-counterfeiting Secret Top 10 Tricks".

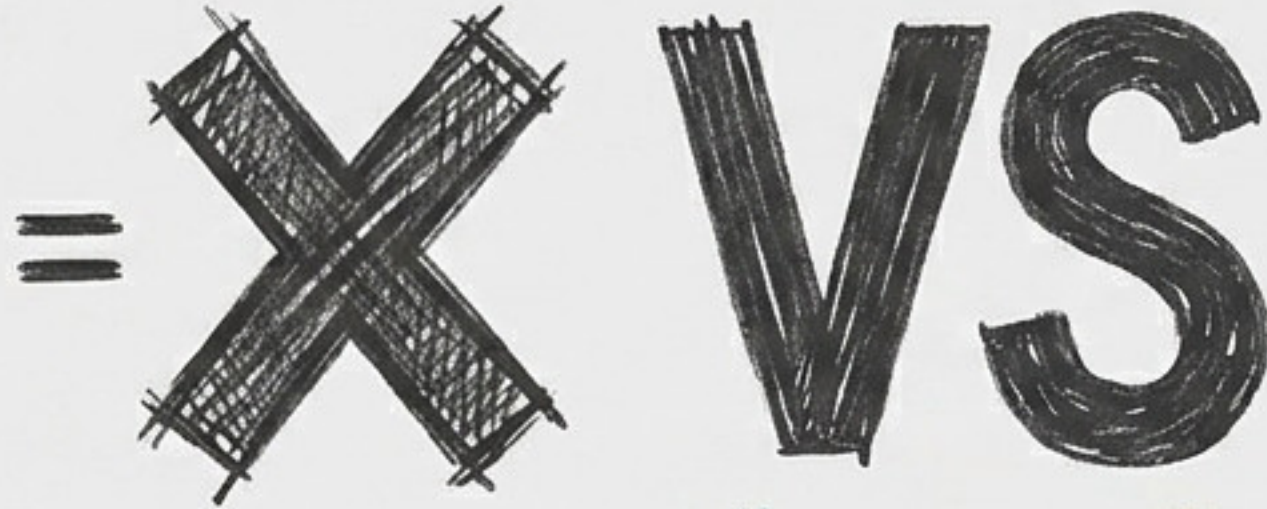
Used without authorization from the trademark owner, resulting in criminal infringement proceedings.



Trademark Act §95(3)

Focus: Infringement of trademark rights.

Infringement
+
Corporation

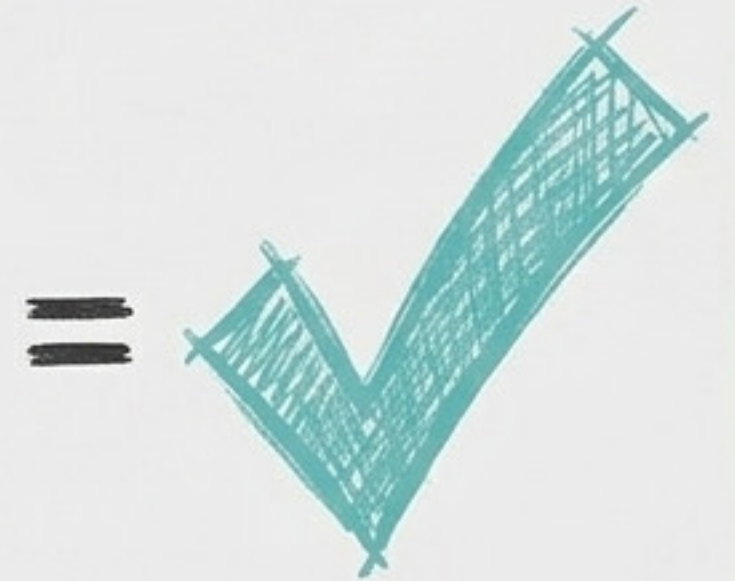


Crucial Limitation: Contains NO special provision to penalize legal entities (corporations).

Copyright Act §101(1)

Focus: Copyright infringement.

Infringement
+
Corporation



Key Rule: The 'Two-Punishment Rule' (Vicarious Liability) – Punishes the actual offender AND explicitly fines the corporation.

The Charge vs. The Conviction: A Fundamental Error

Actor	The Charge (Prosecutor)	The Conviction (Lower Court)
The Corporation (Abangshi Co., Ltd.)	Indicted under Copyright Act §101(1) to secure a fine based on employee actions. Did NOT indict the corporation under the Trademark Act.	Ignored the Copyright Act charge. Fined the corporation NT\$30,000 under Trademark Act §95(3).



The Discrepancy: The court ruled on a statute the prosecutor never charged, and ignored the statute the prosecutor actually requested.

The Premise: The Court cites the “One crime, two punishments” (vicarious liability) rule.



The Justification: The Court sources this rule explicitly from Copyright Act §101(1).



The Execution: The Court applies the penalty under Trademark Act §95(3).



Flawed Logic. The court used the **justification** of the Copyright Act to **enforce the penalties** of the Trademark Act—a statute completely lacking corporate liability provisions.



Misapplication of Law (§378)

Fining a corporation under a Trademark statute with zero corporate liability clauses.



Unrequested Ruling (§379(12))

Convicting the corporation under the Trademark Act without a prosecutor's explicit indictment.



Omitted Ruling (§379(12))

Failing to deliver a judgment on the prosecutor's actual Copyright Act charge.



Contradictory Reasoning (§379(14))

Inappropriately blending statutes, resulting in a legally impossible judgment.

JUDGMENT REVOKED

Remanded to Kaohsiung District Court

- ✓ **Statutory Boundaries:** Courts cannot blend authorities from different IP laws to create custom penalties.
- ✓ **Strict Interpretation:** Corporate liability in criminal IP law requires explicit, specific statutory authorization for the exact offense charged.
- ✓ **Procedural Integrity:** Judgments must strictly align with the scope of the prosecutor's indictment.