

**(Translation)**  
**Examination Guidelines on “Likelihood of Confusion”**

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## 1. Preface

A trademark is mainly used for identifying one's own goods/services and for distinguishing them from the goods/services offered by others. From a consumer's perspective, a trademark serves to distinguish goods/services from different sources so that consumers may select the intended goods/services. In other words, the main function of a trademark is to identify the source of goods/services. This function is an indispensable mechanism for maintaining normal operation in the modern marketplace, which places heavy emphases on free competition. To keep the function of identification of a trademark, all actions causing possible damage to this function shall be banned. In other words, when the use of a trademark by any third party instead of the trademark right holder causes relevant consumers to be confused about and misidentify the source of the goods/services, that is, consumers are unable to correctly identify the source of the goods/services by the concerned trademark, such third party's conduct shall be prohibited. Therefore, prohibition of acts causing confusion is a necessary means to ensure the distinguishing function of a trademark and to limit the scope of using the trademark concerned by a third party. Therefore, judgment of confusion is one of the major issues of the Trademark Act (hereinafter referred to as "the Act").

The Act contains provisions related to conflicting trademarks, many of which mention the likelihood of confusion as a requirement. For example, Subparagraph 10 of Paragraph 1 of Article 30, the one frequently cited, sets out that "a trademark is not registrable if it is identical or similar to another person's registered trademark or earlier filed trademark that is designated for use on the same or similar goods or services, and thus likely to cause confusion to the relevant consumers." Such provision not only accords with the aforesaid statements, but also conforms to Article 16 of Agreement on Trade-Related Intellectual Property Rights (TRIPs) that Taiwan is obliged to after its accession to the WTO. The addition of the requirement of "likelihood of confusion" in the Act is to emphasize that when judging similarity between trademarks or between goods/services, whether the similarity has resulted in the likelihood of confusion should be decided on a case-by-case basis, and it is inappropriate to apply standard criteria to cases that may be of different circumstances. Also, whether the actual use of a trademark on goods/service market may cause confusion depends on other factors other than those related to goods/services. In order to ensure the decision on the likelihood of confusion can better meet the actual situations in the marketplace, all relevant factors that may affect the decision must be taken into consideration, if possible. Especially in trademark dispute cases, the determination on the requirements of likelihood of

confusion shall be based on actual use of a trademark on the market. Therefore, the amendment of the Act in 2011 provides that any application filed with the Registrar Office for invalidation and revocation of a trademark registration on the ground that such registration falls under Subparagraph 10 of Paragraph 1 of Article 30 and Subparagraph 1 of Paragraph 1 of Article 63, i.e. there exists a likelihood of confusion, shall, if the earlier trademark has been registered for three years or more, be accompanied by evidence that, during the period of three years preceding the date of the application for invalidation and revocation, the earlier trademark has been used in connection with the goods or services in respect of which it is registered, or that there are proper reasons for non-use (Paragraph 2 and 3 of Article 57, Subparagraph 1 of Paragraph 1 of Article 63, and Paragraph 2 of Article 67), so as to prevent the irrational phenomenon that a cited trademark which has not been used on the market can claim that there exists a likelihood of confusion.

To clearly explain the concept of confusion and the application and determination of confusion under the Act, these basic guidelines are formulated to expound the relationship between similarity of trademarks or similarity of goods/services and likelihood of confusion, and list relevant factors to be considered for determining the likelihood of confusion, as reference use in examination of cases.

## 2. Relationship between similarity of trademark or similarity of goods and services, and likelihood of confusion

Many provisions of the Act group the likelihood of confusion together with the similarity of trademarks and goods/services. However, the key factor, also the ultimate assessment criterion, which results in conflict of trademarks, is whether relevant consumers will be confused about the marks. Similarity of trademarks and goods/services should contain two reference factors, among others, for determining if there is “any likelihood of confusion.” The two factors are mentioned in the provisions because they are essential for the establishment of “the likelihood of confusion.” It shall, however, be noted that even though the likelihood of confusion is extremely high when the requirements of similar trademarks and similar goods/services are both met, it might not be absolutely the case. Sometimes, there may exist other important factors. For instance, when two trademarks have concurrently existed in the marketplace for a period of time and are familiar to relevant consumers, they are easily distinguishable and there will be no likelihood of confusion. Thus, in addition to similarity of trademarks and goods/services, other relevant factors, if applicable, shall also be considered to ascertain whether there is any likelihood of confusion.

### 3. Type of confusion

#### 3.1

Relevant consumers of goods/services misidentify two different trademarks as coming from the same source. In other words, because of the trademarks, goods/services coming from different sources are considered to be from the same source. This is so-called “incorrect confusion.” For example, “家麗寶” (pronounced as “[jia-li-bao]”) and “佳麗寶” (pronounced as [jia-li-bao]), “Ck” and “Gk,” or “HTC” and “Htc,” if appearing on the same goods/services, will likely cause consumers to misidentify the goods/services as coming from the same source.

#### 3.2

Relevant consumers of goods/services may not misidentify two trademarks as the same one, but are most likely to misidentify the goods/services offered under two trademarks as a series of goods/services from the same source, or misidentify the users of the two trademarks as having an affiliation, license, franchise or any other similar relationship. For example, either pharmaceutical products such as “寧久靈” (pronounced as “090”) and “零疤寧” (pronounced as “080”) used on medicines or information service providers such as “104 購物銀行” (meaning 104 shopping bank) and “104 人力銀行” (meaning 104 job bank) used on the services of providing information on the Internet, are most likely to be considered that they signify as having the same series of goods/services coming from the same company, or that the two companies have any of the above relationships.

### 4. Factors to be considered when judging the likelihood of confusion

In judging whether two trademarks are likely to cause confusion, eight relevant factors for consideration are listed below after referring to the relevant factors stated in domestic and foreign precedents:

- (1) level strength of distinctiveness of the trademark(s);
- (2) whether the trademarks are similar and if yes, the extent degree of similarity between them;
- (3) whether the goods/services are similar and if yes, the extent degree of similarity between them;
- (4) status of the diversified operation of the prior right holder;
- (5) circumstances of actual confusion ;
- (6) the extent to which relevant consumers are familiar with the trademarks

concerned;

(7) whether the applicant of the trademark at issue in question has filed such application in good faith; and

(8) other factors that may cause confusion.

In most new applications, because the trademarks concerned have not yet been in used, not all factors will apply; only the level of distinctiveness of the trademark(s), and the degree of similarity between the trademarks and between the goods/services will be considered. However, in a dispute case, such as opposition, invalidation or revocation, the above factors shall be considered depending on not only the circumstances of each case and the claims made by the parties thereto, but also the factors claimed and supporting evidences submitted by the applicant if such evidences of use of the earlier trademark or relevant factors are revealed in the files of the case, so that the determination on whether there is any likelihood of confusion would better meet the actual trading situations in the market.

In view of the principle of “the same expression having the same substance,” the provisions under the Trademark Act, which prescribe the requirement of “likelihood of confusion,” shall be consistent in interpretation. As each case is different, the weight of the respective factors to be considered may vary. Likewise, because of the different purposes of different articles, the factors to be given more weight will be different depending on the circumstances of the case concerned.

## 5. Factors to be considered

### 5.1 Level of distinctiveness of trademark(s)

For relevant consumers of goods/services, the ability of words, devices, symbols, colors, three-dimensional shapes, motions, holograms, sounds, or any combination thereof in a trademark to identify the source of certain goods/services varies, depending on the distinctive features of each trademark. In principle, the distinctiveness of a fanciful trademark is the strongest, while that of an arbitrary trademark, created from existing words, but have no meaning or relation to the goods or services, and of a suggestive trademark, created from words which suggest some meaning or relation to the goods or services, but do not describe the goods themselves or the services themselves, is weaker. Where an element contained in a composite trademark has been used by a number of people as part of their registered trademarks in respect of similar goods/services, it may be deemed a weak part. For instance, for goods related to cosmetology, either “beauty” or “vigor” is often used as part of a trademark; for restaurant services, “royal” or “garden” is deemed weaker. The stronger the distinctiveness of a trademark, the deeper the

impression the trademark leaves to consumers of goods/services. If such trademark is passed off by another party, it will most likely cause confusion to purchasers.

## 5.2 Whether two trademarks are similar and the extent of the extent of their similarity

### 5.2.1

When two trademarks are considered similar, the overall impressions conveyed by the two trademarks are similar. If they are labeled on the same or similar goods/services, consumers with common knowledge and experience, who exercise a normal level of attention when shopping, may be confused about the two kinds of goods/services as coming from the same source or from different sources of related nature.

### 5.2.2

In judging whether two trademarks are similar, consumer's point of view should be the priority. As stated before, the key function of a trademark is to help relevant consumers identify the source of goods/services. Therefore, whether two trademarks are similar shall be determined based on the level of attention exercised by consumers with common knowledge and experience when shopping. Also, difference in the nature of the goods will affect the degree of attention exercised by relevant consumers. In the case of general consumer products, relevant consumers normally exercise a lower level of attention, and their ability to differentiate two trademarks is weaker; thus, it is easier to have an impression of similarity. On the other hand, relevant consumers of specialty goods such as medicines or high-priced goods such as cars are professionals or those who would normally exercise greater attention, so they are more capable of telling the difference between two trademarks, and the criteria in judging similarity will be higher than those for general consumer products.

### 5.2.3

Whether two trademarks are similar shall depend on the overall impressions of the trademarks, since its impression is a global impression of the trademark rather than the single element of the trademark. Comparison of the main part means that the main distinguishing part of the trademark is extracted for particular observance and comparison, as a supplement to the global comparison. Thus, global comparison and main part comparison are not in contradiction to each other. The main part is ultimately the key element that affects the overall impression of a trademark conveyed to consumers. In other words, whether two trademarks are similar is still

based on the overall observation of the trademarks.

#### 5.2.4

Separate comparison is another important principle for judging trademark similarity. It should be noted that this principle is meant to remind examiners to pay attention to the actual purchasing behavior, rather than observing the trademark separately at different times and places because that is impossible and unnecessary. "Actual purchasing behavior" refers to the repeated purchasing behavior that consumers engage in at different times or places, and is based on an unclear and incomplete impression on trademarks rather than on a side-by-side comparison of the trademarks concerned. In consequence, the minor difference on consumers' impression can hardly play a distinguishing function. Such minor difference does not need to be considered in judging trademark similarity. This principle shall actually be taken into account in judging trademark similarity.

#### 5.2.5

The impression of a trademark conveyed to consumers of goods/services is established by the overall appearance, concept idea or pronunciation sound of the trademark. Therefore, whether two trademarks are similar also depends on whether the trademarks, by observing the three said factors, are similar to an extent degree that may cause confusion. It shall be noted that when two trademarks are similar in appearance, concept idea or pronunciation sound, this may render their overall impressions similar; however, it may not necessarily be the case. For instance, "第一" and "帝衣" (pronounced as [di yi]) are aurally identical in pronunciation, but they differ in appearance and concept idea. In terms of overall impressions, it is unlikely that the trademarks will cause confusion to consumers of goods/services; and they shall not be deemed similar trademarks. Therefore, where two trademarks are similar in appearance, concept idea or pronunciation sound, it cannot certainly conclude that the overall impressions conveyed by the trademarks are similar. Two trademarks can only be considered similar if their similarity is likely to cause confusion to consumers of goods/services.

#### 5.2.6 Relevant principles guidelines for judging similarity of word trademarks:

##### 5.2.6.1

The impression that a trademark first conveys to consumers is its appearance. Therefore, when two word trademarks are similar in appearance, they may be deemed similar even though their concepts idea and pronunciations sound may not

be similar.

#### 5.2.6.2

When two word trademarks are not similar in appearance, for example, one in Kai-Shu typeface and the other in Chuan-Shu typeface or one in traditional Chinese characters and the other in simplified Chinese characters, but they are similar in meanings, they may still be deemed similar because of their resemblance in concept idea and pronunciation sound .

#### 5.2.6.3

Most Chinese characters used in the ROC are pictorial representations developed from numerous natural objects on earth and thus, more weight is given to the shape and meaning. In comparing Chinese trademarks, the appearance and concept idea shall therefore be given more weight. If the designated goods/services using a Chinese trademark are mainly marketed by calling out sound representation of the trademarks, more weight shall be given to the pronunciation sound when the two Chinese trademarks are compared. On the other hand, for alphabet-based foreign languages such as English, French, German and Japanese, the impression conveyed to consumers mainly relies on pronunciation; greater weight shall therefore be given to the pronunciation sound. However, it is provided that more weight shall be given to the appearance as stated in 5.2.6.1 if the foreign wording contained in the trademarks concerned is specially designed. Moreover, if the meaning of trademarks in a foreign language a foreign language trademark is not commonly known to the general public of Taiwan, more weight shall be given on visual or aural comparisons. When making a comparison, both the pronunciation and appearance shall be given more weight. Conversely, if the term contained in a trademark is commonly known to the general public of Taiwan, more weight shall be placed on the concept idea.

#### 5.2.6.4

A Chinese trademark arranged horizontally with indefinite meanings may be read from left to right or from right to left. When judging the similarity between such trademarks, however, all relevant factors other than the way to read the Chinese shall be taken into consideration when making a judgment. For example, where a trademark comprises Chinese and English with the Chinese as a transliteration of the English, the pronunciation of the English shall be considered in deciding the way to read the Chinese. Furthermore, the way of reading claimed by an applicant shall be followed as much as possible because there should be only one way to read a Chinese trademark in use, not sometimes from left to right and sometimes from right



to left. Unless two trademarks are so similar in appearance that a change in the sequence of the characters contained in any of the trademarks may render it similar to the other, e.g. “味王” v “玉味,” it cannot be concluded that the two trademarks as a whole are similar just because they are aural similar in pronunciation after changing the sequence of the characters, e.g. “元鄉” (pronounced as [yuan hsiang]), “香圓” (pronounced as [hsiang yuan]).

#### 5.2.6.5

For alphabet-based foreign languages such as English, French, German and Japanese, the appearance and sound pronunciation of the initial have substantial effect on the impression of the entire phrase conveyed to consumers. Hence, in judging trademark similarity, the beginning of words is accentuated in comparison.

#### 5.2.6.6

In judging similarity between a composite word/phrase and a single word/phrase, whether the word/phrase comprises a main word/phrase and an adjective shall be decided first. If yes, the main word/phrase, as a rule, shall be the subject to be compared. For example, in the case of “泰山” (Tarzan) v “小泰山” (little Tarzan), both feature “泰山” as the main element and “小” is an adjective, so “小” cannot serve as the main identifier for consumers and the weight given thereto shall be reduced. It is the same in the case of “VA VITA” v “VITA.” Some commonly seen Chinese characters such as “大 (big), 小 (small), 真 (real), 正 (original), 老 (old), and 新 (new)” and some foreign words such as “pro-, new-, multi-, the, a, and one” are this kind of adjectives. If any word/phrase contained in a composite word/phrase is familiar to consumers of goods/services, such word/phrase may be deemed the main element. However, it shall be noted that unless one willfully plagiarizes another party's trademark, if a word/phrase after being combined or compounded with another, has formed an independent meaning or become a slogan, no word/phrase shall be divided therefrom when making a comparison.

#### 5.2.6.7

In comparing word trademarks in terms of appearance, concept idea or pronunciation sound, the circumstances shall be considered on a case-by-case basis and no standard comparison shall be applied to all cases. For example, if four out of five letters of the English words contained in two trademarks are identical, the possibility of being similar may increase, but the judgment shall eventually depend on the circumstances of each case. For instance, the case of "house" v "horse" may be subject to the above rule, but the case of "house" v "mouse" is not.

### 5.2.7

More emphasis is given on the appearance for a device, color, hologram or three-dimensional trademark. In other words, even if two device, color, hologram or three-dimensional trademarks are identical in concept convey the same idea , more weight shall be given to their appearance. A comparison shall be made based on their appearance. For instance, “凱蒂貓” (Hello Kitty) and “咖菲貓” (Garfield) both refer to a cat in concept , but they are registrable due to difference in appearance. As noted, the appearance comparison of two trademarks is mainly to compare the concepts of their designs. If the trademarks are similar in compositional concept, any minor difference in color employment or they being placed in opposite directions will have no effect on the similarity.

### 5.2.8

When comparing two three-dimensional trademarks, more weight shall be given to the entire three-dimensional shape. If any of the sides of a three-dimensional trademark most impresses purchasers, comparison of the appearance may be based on that side; if the other sides are distinctive because of special design, each of them may also be taken into account when comparing the appearance. A three-dimensional trademark and a two-dimensional trademark may be similar. For example, a trademark consisting of a three-dimensional Hello Kitty and a trademark consisting of a two-dimensional Hello Kitty are similar in concept idea and appearance.

### 5.2.9

For a sound trademark, more weight shall be given to the sound in comparison. For a motion trademark, more weight shall be given to the comparison of the global impression in commerce created from the process of a series of changing images. However, a sound trademark or motion trademark may be similar with a traditional trademark. For example, the determination can be made on the basis of comparing a traditional trademark to the appearance or concept idea of words or devices in a sound trademark or motion trademark which give the primary image of such trademark.

### 5.2.10

In addition to appearance, concept idea and pronunciation sound as stated above, trademarks may be similar in trademark type. This is particularly true when a party who claims prior right has already registered or used several trademarks of the

same type, thus resulting in an impression of a series of goods. In this case, similarity in type is also one of the factors to be considered in judging similarity between trademarks. For example, “日日” and “月月” contained in “日日安” and “月月安” may differ in terms of appearance, concept idea and pronunciation sound, but they both comprise a repetition of a time unit and the Chinese character “安.” If such trademarks are applied to the same goods or extremely similar goods, consumers will likely misidentify the goods as of the same series offered by the same manufacturer or company. It is certainly a kind of trademark similarity. To avoid similarity in type from excessively broadening the concept of similarity, similarity in type shall be confined to coined fanciful or suggestive trademarks that are creative to some extent and a higher degree of similarity between the goods/services is also required.

#### 5.2.11

The manner in labeling a trademark under general business practice is also one of important factors that affects judgment of trademark similarity. When trademarks are labeled in an inconspicuous manner, consumers of goods/services are unable to know the elements of the trademarks, and they can only identify the trademarks by the appearance. In such case, the appearance shall be given more weight in judging trademark similarity.

#### 5.2.12

For a trademark that contains a non-distinctive element, no matter there is any disclaimer or not, judgment of similarity between such trademark and another trademark still depends on a comparison of overall appearance, including the disclaimed part, which complies with the aforesaid principle. It shall, however, be noted that although the comparison includes the part to be disclaimed for exclusive use, the part may not serve as a sign for identifying the source of certain goods or services because of non-distinctiveness, so little weight will be given to that part when making a comparison.

#### 5.2.13

Since the strength of any of the relevant factors that may cause confusion will affect the required extents of the other factors, in addition to judging if two trademarks are similar, judging the extent degree to which they are similar is required. The extent degree of similarity is useful and necessary for judging if there exists any confusion. Hence, two trademarks may be that are only aurally similar only in pronunciation, are different from and two other trademarks may be that are

visually , aurally and conceptually similar in pronunciation, appearance and concept. The respective extents to which they are similar are different. Discussion and explication on the extent degree of similarity will help clarify the requirement of other factors causing confusion on the one hand, and enables the parties to clearly understand the reasons for consideration involved in the particular cases on the other hand. This allows the competent authority to make a decision that complies with the consistency principle and to meet the different circumstances of different cases.

### 5.3 Whether the goods or services are similar and the extent of their similarity

#### 5.3.1

Similar goods refer s to the goods that are common or related in functions, raw materials, manufacturers or other factors. If the goods of this kind are labeled with an identical trademark or similar trademarks, and they, according to general concepts prevailing in the society or trading situations in the marketplace, will likely cause consumers of goods to misidentify them as goods from the same source, or different but related sources, these goods are deemed to have a similar relationship. Likewise, similar services refers similar services refer to the services that are common or related in the satisfaction of consumers' needs, services provider or other factors. If the services of this kind are labeled with an identical trademark or similar trademarks, they, according to general concepts prevailing in the society or trading situations in the marketplace, will likely cause service consumers to misidentify them as services from the same source, or different but related sources.

#### 5.3.2

The classification of goods or services is for the convenience of administrative management and search purpose. The classification is not absolutely meant to serve as a limitation on the determination of similar goods or services. It is therefore prescribed in Paragraph 6 of Article 19 of the Act that the “determination of similar goods or services is not restricted by the classification of goods or services specified in the preceding Paragraph.” Thus, goods or services falling under the same class may not necessarily be similar goods or services, for example, safety helmets and telephone sets under Class 9. However, goods or services falling under different classes may be similar goods or services, for example, cereal powder for babies y under Class 5 and mixed cereal fiber powder under Class 30.

#### 5.3.3

In order to define the scope of goods or services, which need to be cross searched cross-searched when trademarks are identical or similar, “Reference Material for Search of Similar Goods and Services” was published based on the concept of similarity groups and categories. Although the publication is important for judging if goods or services are similar, it shall be noted that the main purpose of the publication is for search. Each case shall be judged depending on the general concepts prevailing in the society, the trading situations in the marketplace, and all relevant factors related to goods or services.

#### 5.3.4

When judging similarity between goods, all relevant factors of the goods shall be taken into account based upon general concepts prevailing in the society and the trading situations in the marketplace. In general, similar goods normally have the same or similar functions, or the same or similar raw materials. Therefore, in judging similarity between goods, the function of the goods may be considered first, and then the raw materials and other factors such as manufacturer. However, for certain goods emphasizing raw materials, for instance, precious metals, the extent degree to which the raw materials are similar shall be considered first.

5.3.5 Goods can be deemed similar when one of the following circumstances applies:

##### 5.3.5.1

Same function: For example, ball point pens, pencils and fountain pens are mainly for writing and may satisfy the same writing needs of consumers. However, “same function” may refer to either same general function or same specific function. The more specific the same function is, the higher the extent degree of similarity between the goods is.

##### 5.3.5.2

Mutually dependent or complementary functions: For example, fountain pens, ink for fountain pens and cases for fountain pens are mutually dependent or complementary in use and function, and may jointly satisfy consumers’ specific needs. The more dependent or complementary the goods are, the higher the extent degree of similarity between them is.

#### 5.3.6

With respect to the relationship between goods and their components or semi-finished products, if the latter are used for performing the function of the

former, and without the latter, the former cannot achieve their economic purpose or will suffer a significant decrease in the purpose, and then the two kinds of goods will likely be deemed similar. Otherwise, they are, in the main principal, not similar.

#### 5.3.7

If goods come from the same kind of manufacturers, it is likely that they will be deemed similar.

Example: floor carpet and wall rug.

#### 5.3.8

Services are to satisfy certain needs of consumers' needs. The more similar the consumers' needs satisfied by the services are, the higher the extent degree of similarity between the services is.

Example: English cram school services, and mathematics and science cram school services.

#### 5.3.9

Services usually from the same provider will likely be deemed similar.

Examples: Acupuncture pressure and massage services, and sauna services

#### 5.3.10

The function of goods and the expectation to a service shall be defined according to general concepts prevailing in the society. For instance, a pair of slippers, according to general concepts prevailing in the society, is mainly to protect one's feet and assist him/her in walking. Any comparison related thereto shall certainly be based on this function. It cannot be concluded that slippers and cockroach catchers have similar functions just because slippers may sometimes be used for killing cockroaches.

#### 5.3.11

Goods can also be deemed similar to certain services. For example, if services are intended to provide the sale, installation or repair of certain goods, there is a similarity between the services and the goods.

#### 5.3.12

Like judgment of trademark similarity (see 5.2.13), in judging similarity between goods or services, in addition to the issue of whether these goods or services are similar, the extent degree to which they are similar shall be explicated as this will be

useful and necessary in judging the likelihood of confusion. For example, “skin moisturizers” and “cleansing lotions” are similar products in practice and so are “skin moisturizers” and “feet deodorants,” but the respective extents degrees of similarity are obviously different. Therefore, if the extent degree of similarity can be discussed and explicated on a case-by-case basis, it will be more thoughtful.

#### 5.4 Status of diversified operation of a prior right holder

If a prior right holder engages in a diversified operation and uses or registers his/her trademark in connection with goods/services of multi-classes, when deciding whether the trademark concerned and the trademark at issue will likely cause confusion, the status of the diversified operation shall be considered in addition to the comparison of the goods/services in the relevant classes. If any fact or evidence reveals that the prior right holder may engage in the same goods/services as covered by the trademark at issue, such fact/evidence shall also be considered. On the contrary, if the prior right holder has long been engaged in certain goods/services and no evidence shows that he/she may expand his/her business, the scope of protection offered to him/her shall be limited.

#### 5.5 Circumstances of actual confusion

When relevant consumers of goods/services misidentify the goods bearing a trademark that was later filed later as goods originating from the prior right holder, the burden of proof shall lie with the prior right holder, who shall submit relevant supporting evidence. If the prior right holder presents a market survey report, which, after a response from the other party, has been determined to have credibility, the market survey report can verify the circumstances of confusion. Moreover, an invalidation action may be filed by a third party long after a trademark has been registered. If the registrant has already used such trademark for marketing, whether or not consumers may be confused about it because of the use, shall be taken into account.

#### 5.6 The extent to which relevant consumers are familiar with the trademarks concerned

##### 5.6.1

If relevant consumers are quite familiar with two conflicting trademarks, that is, the concurrent existence of the two conflicting trademarks in the marketplace is

recognized by relevant consumers, and thus allows the consumers to identify them as coming from different sources, the fact of concurrent existence shall be maintained, if possible.

#### 5.6.2

If relevant consumers are familiar with one of the two conflicting trademarks only, the one which consumers are more familiar with shall be given more protection.

#### 5.6.3

The extent to which relevant consumers are familiar with a trademark, relies on the extent to which the trademark is used. In principle, the burden of proof shall lie with the party making the claim, who shall provide supporting evidence; however, the principle shall not apply if the fact is well recognized by the public. Evidence certifying the extent to which a trademark is extensively used is similar to evidence that certifies the well-known status of a trademark. Thus, for the submission of relevant supporting evidence, one may refer to the relevant provisions set forth in “Examination Guidelines for the Protection of Well-known Trademarks under Subparagraph 11 of Paragraph 1 of Article 30 of the Trademark Act.”

### 5.7 Whether the application to register a trademark at issue is filed in good faith

A trademark is mainly for identifying one’s own goods so as to distinguish such goods from those provided by others. This is also the objective of for filing an application to register a trademark or using a trademark. Where one is aware that an application may cause, or intends to cause, confusion to relevant consumers with respect to the source at the time of filing an application, such application is not filed in good faith. For example:

#### 5.7.1

After the applicant’s original trademark is assigned to another party with his/her consent or due to compulsory execution or bankruptcy proceedings, he/she applies for registration of an identical or similar trademark.

#### 5.7.2

The applicant is licensed by another trademark right holder to use a Chinese trademark, and then applies for registration of a trademark which is the English translation of that Chinese trademark.



## 5.8 Other factors that cause confusion

In addition to the above factors, in some circumstances there may exist other factors that have may affect on the judgment of confusion. For example, if goods have the same marketing channels or services are provided at the same locations, it is more likely that they will cause confusion as there exists a higher probability that relevant consumers will come across them simultaneously. On the contrary, whether the goods which are sold through direct sale, telemarketing, or mail order, and those which are sold through the normal channel will likely cause confusion needs to be reconsidered. For two kinds of services both classified as dining services, one may be provided at large hotels, while the other is provided in on the street; such services will not certainly cause confusion. Therefore, other relevant factors, if present in a certain case, shall also be taken into account.

## 6 Interaction among the above factors

### 6.1

All the above factors are interrelated. If any of one the factor s is fully satisfied valid, the requirements of other factors, as a rule, shall be lowered. For example, the higher the extent degree of trademark similarity is, the lower the requirements for the extent degree of similarity between the goods/services will be. Where confusion has actually occurred, and solid concrete facts and supporting evidence are available to prove the same, there is no need to request other supporting evidence proving the existence of other factors. It shall, however, be noted that in deciding the extent to which relevant consumers are familiar with the trademarks concerned as set forth in 5.7, whether the consideration should be given to whether both two conflicting trademarks are both are familiar to relevant consumers shall be considered. If two trademarks of different precedence are in conflict, and one of them is familiar to relevant consumers, in judging if they will likely cause any confusion, the requirements of other factors shall be relatively lowered based on the above principle; on the other hand, if both of the two trademarks are familiar to relevant consumers, the requirements of other factors shall not be lowered, but instead, the requirements shall be raised instead. This is because the chance of causing confusion is extremely little where the two trademarks are both familiar to relevant consumers; therefore, the thresholds for other factors will be raised.

### 6.2

The requirements for each factor upon the filing of a trademark application and

those after the registration of a trademark shall be different to some extent. If a registrant has extensively used a trademark after its registration because he/she fully relies on the right in of that trademark as granted and moreover, both the trademark application and the trademark use after registration are made in good faith, the requirements of relevant factors for opposition or invalidation actions involving the judgment of likelihood of confusion shall be higher than those for filing general applications.

## 7. Overcoming grounds for rejection regarding conflict with other marks due to Resolving conflict regarding confusion

Where it is confirmed that there exists conflict between two trademarks regarding confusion, the parties may, upon a notice by relevant examiners or on their own initiative, take the following actions so as to overcome grounds for rejection:

### 7.1 Restriction of goods/services in conflict

If only some of the goods/services covered by a trademark application sought to be registered by or a registered by a party are trademark are deemed identical or similar to those designated for another party's prior trademark to an extent that there exists a likelihood of confusion, an application to restrict those identical or similar goods/services may be filed to remove the overlapping goods/services of the conflicting trademarks resolve the conflict. An application to restrict goods/services can be made during the examination process of a trademark application or after the trademark has been registered. However, if an application for opposition, invalidation or revocation has been entered at the Registrar Office against a registered trademark, any restriction of the designated goods or services shall be requested before the disposition of the application is rendered. (The proviso of Paragraph 1 of Article 23, Paragraph 1 and 3 of Article 38 of the Trademark Act)

The restriction of goods may be made by deleting some of the designated goods, by changing a broader range of general goods to specific particular goods, for instance, cosmetics to lipsticks, or by defining the specification to particular goods of interest the applications of the goods, for instance, vaporizers to vaporizers for industrial use. However, it shall be noted that if the goods designated for the cited trademark cover a wider range, i.e. all the general goods, although an application to restrict the designated goods covered by the trademark at issue is filed, the goods still fall under within the scope of goods covered by the cited trademark. Such restriction cannot resolve the problem that these goods covered by the two trademarks are similar, unless an application to restrict the designated goods of the

cited trademark is also filed. The above principle shall also apply to services.

## 7.2 Dividing the application

If a party has different opinions regarding whether or not his/her trademark and another party's trademark will cause confusion and is not willing to limit the designated goods/services, the trademark may be divided, that is, where part of the application can be divided out so that either the initial application or the divisional application is no longer in conflict with the cited trademark(s), to have the goods/services that may cause confusion and those that are conflict-free divided to be covered by two trademarks, and then argument may be made in respect of the trademark covering the goods/services in conflict only. Likewise, division of a trademark can be requested during the examination process of the trademark application or after the trademark has been registered. However, if an application for opposition, invalidation or revocation has been entered at the Registrar Office against the registered trademark, any division of the registration shall be requested before the disposition of the application is rendered. (Articles 26 and 37 and Paragraph 1 and 3 of Article 38 of the Act)

## 7.3 Consent from a prior right holder

Where there exists the conflict regarding confusion as stipulated in Subparagraph 10 of Paragraph 1 of Article 30 of the Act, as the proviso prescribing that "... unless the consent of the proprietor of the said registered trademark or earlier filed trademark to the application has been given and is not obviously improper," obtaining consent from a earlier right holder is one of the ways to resolve the conflict regarding confusion. Under the relevant provisions on the concurrent registration based upon consent, such consent shall not be obviously improper. For example, if there are two trademarks belonging to different proprietors which are designated on identical goods or services, the function of these trademarks on indicating correct sources of goods or services will be lost and rights of consumers will be affected. A proprietor of a registered trademark keeping consenting others for concurrent registration after the court suspended the right of disposition of the registered trademark is also obviously improper. If the consent is obviously improper, even the consent of the proprietor of the registered trademark or earlier filed trademark to the application has been given, the application for registration is still unacceptable. Also, in respect of the goods, if the scope of a trademark covers general a bro a der range of goods, while the other covers specific particular goods,

e.g., cosmetics and lipsticks, the general broader range of goods covered by the former trademark shall, in providing consent, exclude specific the particular goods covered by the other trademark. The above principle shall also apply to services.