ASIAN PATENT ATTORNEYS ASSOCIATION

ANTI-COUNTERFEITING COMMITTEE

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COUNTRY REPORT- TAIWAN GROUP

I. Important legislative changes

1.Taiwan tightens express-parcel clearance: customs brokers must record the consignee's authorization before filing a simplified declaration

On February 23, 2026, Taiwan's Ministry of Finance amended the *Regulations Governing the Clearance of Air Express Cargo* (Articles 12, 17 and 29) and the *Regulations Governing the Clearance of Sea Express Cargo* (Articles 12, 18 and 32). The key provisions, Article 17.2 of the air-express rules and Article 18.2 of the sea-express rules, took effect on March 1, 2026.

Under the amended rules, where imported express goods are cleared by a customs broker using a simplified declaration, the broker must have completed and recorded the consignee's authorization in one of three ways: (1) a written authorization, for the individual shipment or on a long-term basis; (2) an authorization through the Customs-Port-Trade Single Window, individual or long-term; or (3) an individual authorization through a real-name authentication platform (the "EZ WAY" app), on which the consignee reviews the broker's declaration data in advance and confirms whether it is accurate. Customs may refuse to accept a declaration for which no authorization has been completed and recorded. Where a shipment involves a false declaration or another violation of the Customs Anti-Smuggling Act, and the broker can neither prove that it was authorized to file the declaration nor prove that an actual owner of the goods exists, the broker itself bears liability for the violation.

Although the amendment was aimed primarily at identity misuse and tax evasion in cross-border e-commerce, it is relevant to anti-counterfeiting. As the statistics in Part III show, more than 90% of counterfeit seizures at Taiwan's border involve express parcels, and such parcels have often been declared under nominee or misappropriated identities, leaving Customs and right holders without an identifiable importer. By requiring a recorded authorization for every simplified declaration, and by placing liability on the broker where neither the authorization nor an actual owner can be shown, the new rules make it harder for counterfeits to enter in parcels with no traceable importer. They complement the May 29, 2025 amendment to Article 4 of the Standards for Reduction of Penalties in Customs Anti-Smuggling Cases reported last year, under which infringing goods that are not genuine parallel imports can no longer benefit from the exemption from fines for goods valued at NT$5,000 or less.

2. IP enforcement commitments under the Taiwan – U.S. Agreement on Reciprocal Trade

On February 12, 2026, Taiwan and the United States signed the Agreement on Reciprocal Trade in Washington, D.C. Among other things, Taiwan undertook to maintain a robust standard of IP protection, including effective systems for civil, criminal and border enforcement, expressly extending to infringement online. The Agreement has been signed and is pending review by the Legislative Yuan.

3. Status of the 2022 Trademark Act amendments on counterfeit labels and packaging

For completeness, the amendments to Articles 95 to 97 of the Trademark Act promulgated on May 4, 2022 have not yet entered into force; their effective date is to be set by the Executive Yuan. Among other things, they replace the "knowingly" requirement with an ordinary intent standard, and criminalize the manufacture, sale, possession, display, export and import of labels, tags and packaging bearing an identical or similar mark, where intended for use on the same goods or services. The amendments were adopted to align Taiwan's trademark law with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), as part of Taiwan's preparations to accede to that agreement.

II. Recent court cases

1. Online and TV Shopping Retailer Held Liable as Seller of Counterfeits; Supreme Court Clarifies Calculation of Damages Against Joint Infringers

Civil Action: Burberry Limited (the Plaintiff)
vs.
Eastern Home Shopping & Leisure Co., Ltd. ("ETMall"),
COSMERCHANT CO., LTD., et al. (the Defendants)

Judgment: (114) Tai-Shang-Zi No. 452 rendered by Taiwan's Supreme Court (October 2025); see also (113) Tai-Shang-Zi No. 1 rendered by Taiwan's Supreme Court (August 2025)

Summary of Facts:

From December 2013, COSMERCHANT CO., LTD., a supplier, sold counterfeit BURBERRY bags, watches and scarves through the TV shopping channels and websites operated by ETMall. Police seized the goods in January 2015. COSMERCHANT CO., LTD. claimed that it had sourced the goods through a licensing chain originating from a licensee of Burberry, but witnesses from the licensee and from Burberry denied this.

The IPC Court found that ETMall, which presented the goods, sold them in its own name, issued invoices and provided after-sales service, was the seller of the goods rather than a mere marketplace operator. By relying only on the supplier's self-certification and copies of import declarations, ETMall had failed to exercise the care

of a prudent manager, and was therefore liable as a negligent joint infringer. The parties appealed to the Supreme Court on the calculation of damages.

The Supreme Court's reasoning:

First, where several persons jointly infringe a trademark and damages are calculated on the basis of the profits obtained from the infringement (Article 71.1(ii) of the Trademark Act), the calculation must be based on the total profits obtained by all joint infringers, not on each infringer's internal share. The IPC Court had therefore erred in deducting from ETMall's profits the purchase price it paid to the supplier.

Second, where damages are calculated as a multiple of the retail unit price of the seized infringing goods (Article 71.1(iii)), and several kinds of goods with different retail prices are seized, the multiple must be applied to the retail price of each kind of goods, not to an average price. If the result is manifestly excessive, the court should reduce it under Article 71.2, rather than decline to apply the formula.

Third, following the Grand Chamber's ruling (112) Tai-Shang-Da-Zi No. 544, a legal person may claim non-pecuniary damages under Article 195.1 of the Civil Code for harm to its reputation, insofar as the harm materially affects the achievement of its purposes and cannot be quantified in money. Burberry's claim of NT$10 million on this ground had to be re-examined.

In the companion case (113) Tai-Shang-Zi No. 1, which involved more than 5,000 counterfeit BURBERRY watches sold on the same platforms in 2011 and 2012 as "genuine" goods, the Supreme Court likewise held the retailer liable as the seller. It listed the factors relevant to reducing damages under Article 71.2, including the fame of the mark, the price and quantity of the counterfeits, the similarity of the marks, the nature of the goods, the extent of their circulation, the manner and duration of the infringement, and the size of both parties' businesses. It held, however, that the retailer's chairmen were not personally liable under Article 23.2 of the Company Act, since the retailer had a verification system for luxury goods in place and the failure lay with the staff applying it.

The injunction against ETMall and the order to publish the judgment in a newspaper are final. The damages claims were remanded and are pending before the IPC Court. The decisions show that large retailers which sell in their own name, as opposed to marketplace operators, face joint liability for the whole of the infringers' profits, and that statutory damages are calculated by reference to each product's own retail price.

2. Territoriality: Manufacturing Abroad Is Outside the Trademark Act, but Importing and Displaying the Goods in Taiwan Is Not

Criminal Action: Public Prosecutor
vs.
CHEN, Hsiao-Tien (the Defendant); Umarex GmbH & Co. KG (the Complainant)

Judgment: (114) Tai-Shang-Zi No. 1125 rendered by Taiwan's Supreme Court

(April 2025); on remand, (114) Xing-Zhi-Shang-Geng(1)-Zi No. 4 rendered by the IPC Court (June 2026)

Summary of Facts:

The defendant was the general manager of a Hong Kong company that had been licensed to manufacture toy guns bearing the HK, G36 and BERETTA marks, of which the complainant was the owner or exclusive licensee. The license expired on December 31, 2013, with a sell-off period until June 30, 2014. From March 2014 to February 2015, the company continued to manufacture toy guns bearing the marks at its factory in Fujian, PRC. It then imported them into Taiwan and displayed them for sale at an airsoft fair in Taipei in February 2016, where police seized 34 guns. The district court acquitted the defendant; the IPC Court reversed and sentenced him to six months' imprisonment.

The Supreme Court's reasoning:

Trademark rights registered in Taiwan are territorial and do not extend to mainland China. Where an actor manufactures goods bearing a counterfeit trademark in mainland China and then imports them into Taiwan for sale and display, only the latter conduct may be punished under Article 95 of the Trademark Act. The IPC Court had erred in treating the manufacture in the PRC as punishable. The Court further held that Article 97 (selling or displaying counterfeit goods) applies only to persons other than the infringer under Article 95. It reversed the judgment and remanded the case.

On remand, the IPC Court convicted the defendant under Article 95.1 and confiscated the 34 guns. It sentenced him to four months' imprisonment, reduced under Article 7 of the Speedy Criminal Trial Act because the case had lasted more than eight years. The IPC Court held that displaying the goods in Taiwan for marketing purposes constitutes "use" of the marks; that goods manufactured after a license has expired, or beyond the licensed quantity, are counterfeits; and that the defendant's covering of the marks with stickers was evidence of his knowledge.

The decisions draw a clear line for cross-border cases: manufacture abroad is outside the reach of Taiwan's Trademark Act, but importation and display in Taiwan are sufficient for criminal liability. They also confirm that a former licensee who continues production after the license ends is treated as a counterfeiter.

3. Sellers of "Jailbroken" Streaming Boxes Liable Even Without Pre-Installed Apps; Profits Recoverable Despite Time Bar

Civil Action: Eastern Broadcasting Co., Ltd., CTi Television Inc., Sanlih E-Television Co., Ltd. and seven other broadcasters (Appellants, the Plaintiffs)
vs.
Unblocktech Taiwan Co., Ltd., Elie Technology Inc., et al. (Appellees, the Defendants)

Judgment: (113) Min-Zhu-Shang-Zi No. 8 rendered by the IPC Court (September

2025), which became final when Taiwan's Supreme Court dismissed the further appeal by ruling (114) Tai-Shang-Zi No. 2093 (April 2026)

Summary of Facts:

In 2019 to 2021, the defendants imported and sold more than 13,000 "Unblock Tech" set-top boxes in Taiwan. The boxes were labelled "pure version" and had no infringing apps pre-installed, but were advertised as "jailbroken" and "ROOT-enhanced." By following a preset route, or with the help of customer service reached through a QR code on the box's screen, users could install apps that streamed pirated Taiwanese cable TV channels. The first-instance court dismissed the broadcasters' claims.

The IPC Court's reasoning:

The IPC Court held that the defendants' conduct fell within Article 87.1(vii) and (viii) of the Copyright Act, including item 2 of subparagraph (viii) (guiding or assisting the public to use apps that aggregate links to infringing content), and Article 87.2, since advertising the boxes as "jailbroken" amounted to actively inducing the public to infringe. Under the legislative notes to the 2019 amendment, only boxes with no pre-installed apps, no preset route and no guidance to users fall outside the provision under the principle of technology neutrality; these boxes did not.

As to the "knowingly" requirement, the court held that knowledge may be inferred from circumstantial evidence, and that an actor whose lack of knowledge results from deliberately causing it or deliberately refraining from inquiry may still be found to have known.

The tort claims were time-barred, as the plaintiffs had identified the boxes and the sellers in a notarized test purchase in July 2019 but did not sue until July 2021. Under Article 197.2 of the Civil Code, however, an infringer must still return the benefit obtained from the infringement as unjust enrichment. Calculating the benefit as the number of units sold multiplied by the margin per unit, the court awarded about NT$7.75 million in total against the two companies.

The defendants' further appeal was dismissed by the Supreme Court in April 2026 as procedurally inadmissible, because it challenged the IPC Court's findings of fact and evaluation of evidence without properly stating how the judgment violated the law. The Supreme Court therefore did not review the IPC Court's legal reasoning on the merits, but the IPC Court's judgment is now final.

4. Stand-Alone Confiscation of Allegedly Counterfeit Goods Requires a Substantive Examination of the Evidence

Criminal Ruling: Public Prosecutor (Applicant for confiscation)
vs.
CHEN, Wei-Yao (Re-appellant, owner of the seized goods)

Ruling: (115) Tai-Kang-Zi No. 20 rendered by Taiwan's Supreme Court (March 2026)

Summary of Facts:

Customs seized three pairs of jeans bearing the "AMIRI" mark imported by the owner. The trademark owner's local agent issued a certificate stating that the goods were counterfeit. The prosecutors declined to prosecute the owner, but applied for stand-alone confiscation of the jeans under Article 98 of the Trademark Act. The district court ordered confiscation without hearing the owner, and the IPC Court dismissed his appeal.

The owner showed that he had bought the jeans from the e-commerce platform SSENSE, with which the trademark owner admitted that it cooperates. The infringement certificate, however, had been issued on the assumption that the jeans were bought from a different platform with which the trademark owner does not cooperate. The only witness heard, a member of the agent's staff, testified that he had merely collected evidence and could not tell genuine goods from counterfeits.

The Supreme Court's reasoning:

Stand-alone confiscation deprives a person of property. Articles 455-35 and 455-37 of the Code of Criminal Procedure therefore require the prosecutor to state the facts and evidence supporting confiscation, and apply the safeguards of the third-party participation procedure. Where no final judgment has determined that the items are subject to mandatory confiscation, the court must conduct a substantive examination of the evidence. Since the certificate rested on a mistaken premise, did not specify which of the goods it covered, and the witness could not authenticate the goods, the lower courts had erred. The Supreme Court set aside the ruling and remanded the case.

For right holders, the ruling is a reminder that certificates of infringement should address the specific goods seized and the channel through which they were actually bought, particularly in cases involving personal imports in small parcels.

5. Update: Last Year's Casio G-Shock Customs Case Is Now Final

Last year's report discussed (112) Shang No. 663, in which the Supreme Administrative Court remanded a case concerning a buyer of 700 counterfeit Casio watches. On remand, the IPC Court upheld the fine of approximately NT$350,000 imposed under Article 39-1 of the Customs Anti-Smuggling Act ((114) Xing-Ta-Geng(1)-Zi No. 1, August 2025). On July 16, 2026, the Supreme Administrative Court dismissed the buyer's further appeal ((114) Shang-Zi No. 693), so the decision is now final. It confirms that the importer's duty of care arises before the goods are declared, and that an acquittal in criminal proceedings does not preclude an administrative fine.

III. Enforcement statistics

(1) Cases closed by the IPC Court (data compiled by the Judicial Yuan)

According to statistics issued by the Judicial Yuan, the IPC Court closed 293 civil IP cases of the first instance, 96 criminal IP cases and 138 administrative IP cases in 2025. In January to June 2026, it closed 153, 54 and 49 such cases, respectively. The figures

below count lawsuits only, excluding motions, mediation and other non-litigation matters.

	Civil Cases (first instance)	Criminal Cases (first & second instance)	Administrative Cases
Jan.–Dec. 2023	266	106	160
Jan.–Dec. 2024	254	104	149
Jan.–Dec. 2025	293	96	138
Jan.–June 2026	153	54	49

(2) IP infringement cases detected by Customs (data compiled by the Customs Administration)

a. Outbound shipments

Trademark infringement cases:

	Cases	Amount of infringing products involved
Jan.–Dec. 2023	3	15,385 pcs
Jan.–Dec. 2024	3	43,429 pcs
Jan.–Dec. 2025	4	6,281 pcs
Jan.–June 2026	2	438 pcs

Copyright infringement cases (excluding piracy of optical discs)：

	Cases	Amount of infringing products involved
Jan.–Dec. 2023	0	0 pcs
Jan.–Dec. 2024	0	0 pcs
Jan.–Dec. 2025	0	0 pcs
Jan.–June 2026	0	0 pcs

b. Inbound shipments

Trademark infringement cases:

	Cases	Amount of infringing products involved
Jan.–Dec. 2023	323	72,194 pcs
Jan.–Dec. 2024	433	271,748 pcs
Jan.–Dec. 2025	425	4,921,713 pcs
Jan.–June 2026	163	94,261 pcs

Copyright infringement cases (excluding piracy of optical discs):

	Cases	Amount of infringing products involved
Jan.–Dec. 2023	0	0 pcs
Jan.–Dec. 2024	0	0 pcs
Jan.–Dec. 2025	1	126 pcs
Jan.–June 2026	0	0 pcs

c. Counterfeits involved in IPR infringement cases reported during the January–June period of 2026

By quantity seized, the IPR-infringing goods were mainly pharmaceuticals (74,643 pcs), apparel (7,716 pcs), electronics (4,247 pcs), automobile parts (885 pcs), toys (335 pcs), bags (297 pcs), machine components (240 pcs), cosmetic products (238 pcs), shoes (66 pcs) and watches (20 pcs), with a further 6,012 pcs in other categories, for a total of 94,699 pcs (inbound and outbound combined). The counterfeits mainly came from Hong Kong (75 cases) and the PRC (67 cases). Express delivery remains the dominant channel: 153 of the 165 cases (93%) were shipped by air or sea express.

In 2025 as a whole, Customs handled 430 IPR infringement cases involving about 4.93 million items, of which 397 cases (92%) involved express delivery. The sharp rise in quantity in the fourth quarter of 2025 (about 4.86 million items) was mainly due to seizures of approximately 4.84 million counterfeit cigarettes.

(3) IP infringement cases investigated by the Intellectual Property Rights Investigation Corps (IPRIC) (data published by the IP Office)

	Total Cases	TM Cases	Copyright Cases	Trade Secret Cases
Jan.–Dec. 2023	2,972	1,785	1,180	7
Jan.–Dec. 2024	1,343	823	511	9
Jan.–Dec. 2025	1,317	823	488	6
Jan.–June 2026	828	552	274	2

The IPRIC, formerly the Intellectual Property Rights Police under the Second Special Police Corps, now operates under the Criminal Investigation Bureau of the National Police Agency. In 2025, 77.7% of its cases (1,023 of 1,317) involved online infringement. In January to June 2026, it handled 828 cases, up 144% from the 339 cases of the same period in 2025, mainly due to a rise in trademark cases.

(4) Affirmed IP infringement cases by the Prosecutors' Offices (data published by the Prosecutors' Office)

	Total Number of Defendants	Number of Sentenced Defendants	Number of Acquitted Defendants	Number of Remitted or Exonerated Defendants, or the complaints turned down
Jan.–Dec. 2023	1,138	884	58	195
Jan.–Dec. 2024	935	719	56	159
Jan.–Dec. 2025	724	474	81	165
Jan.–June 2026	309	217	19	73

Note: The totals include defendants whose cases were concluded in other ways (1 in 2023, 1 in 2024, 4 in 2025 and none in January–June 2026), so the three columns on the right do not always add up to the total.

(END)