

## Taiwan

### **“MONSTER” is Common AND Distinctive: MONSTER STRIKE and MONSTER ENERGY are Confusingly Similar [Taiwan Supreme Administrative Court 2021 Decision]**

If a trademark contains a common term, even though the meaning of the term has no connection with the identification of goods or services, there remains concern whether the distinctiveness of the term may be diluted due to its common nature, or because too many trademarks containing the term already exist.

On 4 March 2021, the Taiwan Supreme Administrative Court overruled both the Intellectual Property Office (IPO) and Intellectual Property Court’s (IP Court) dismissal of the opposition against the mark “MONSTER STRIKE”, and held that a common foreign word that does not convey features or qualities of the goods or services is deemed an “arbitrary sign” and is distinctive in its *2019 Shangzhi No. 963 Decision*. Even if it is a commonly used word or many trademarks containing the word already exist, it is undeniable that the foreign word has a certain degree of distinctiveness. The court’s reasoning is quite worthy of inspection.


#### Case fact

In October 2016, developer of the famous Japanese mobile game “Monster Strike”, Mixi, Inc. (“Mixi”), acquired the Taiwanese trademark no. 01796929 “MONSTER STRIKE” in classes 9, 14, 16, 18, 20, 21, 24, 25, 26, and 28.

The mark was soon challenged by Monster Energy Company (“Monster Energy”), the American energy drink giant who had trademarks registered in classes 16 and 25 prior to Mixi’s application. Monster Energy filed an opposition requesting Mixi’s mark be revoked, claiming that both Mixi’s and its own trademarks contain the main distinctive part “MONSTER”, which is confusingly similar to the consuming public.

The opposition filed with the IPO and the subsequent trial at the IP Court were both dismissed as the marks were deemed dissimilar. Monster Energy appealed to the Supreme Administrative Court, where IP Court’s first trial decision was overturned.

## Mixi's and Monster Energy's Marks

Mixi's Mark	Monster Energy's Marks
<p>MONSTER STRIKE</p> <p>Reg. no. 01796929</p>	<p>MONSTER ENERGY</p> <p>(1) Reg. no. 01737077</p>  <p>MONSTER ENERGY</p> <p>(2) Reg. no. 01680431</p>
Goods in classes 16 and 25	Goods in classes 16 and 25
<p><u>Class 16</u> Pastes and other adhesives for stationery or household purposes; wrappers for packaging; postcards; stickers; note pads; cards, etc.</p> <p><u>Class 25</u> Hats; t-shirts; men's suits; shoes, etc.</p>	<p><u>Class 16</u> Printed materials and printed publication; posters; stickers; cards, etc.</p> <p><u>Class 25</u> Hats and clothing; clothing, namely t-shirts, etc.</p>

## Supreme Administrative Court's opinion

For the reasons discussed below, the Supreme Administrative Court found there was room for reconsideration on the similarity of the marks and goods, thus reversed the original judgement and remanded the case.

### 1. "MONSTER" is distinctive

Though in the original decision, the IP Court ruled that "MONSTER" was not distinctive on the grounds that it is a common foreign word, and that many have already registered trademarks

containing the word “MONSTER” in Taiwan, the Supreme Administrative Court reasoned that the word “MONSTER”, which means beasts or scary imaginary creatures, does not convey information about the goods or services. Rather, it is an “arbitrary sign” that serves to identify the particular source of the goods or services. Despite the number of registered trademarks containing the term “MONSTER”, it is evident that the term is distinctive to some degree.

## 2. Mixi’s and Monster Energy’s marks are quite similar

In comparison, although the marks make use of different combinations of words, they all involve “MONSTER”, which is pronounced identically and is conceptually the same. As for the appearance, though the marks present slightly different designs in image or font, they all have the word “MONSTER” as the main distinctive part.

## 3. The marks specify identical or highly similar goods

The original decision admitted that “the accused and asserted marks specify similar goods such as stationery and clothing,” “there exist similar goods with a difference in specificity, or those similar in nature,” which obviously support the argument that Mixi’s and Monster Energy’s marks specify identical or highly similar goods. However, the original decision drew the conclusion that the designated goods of both marks are distinguishable and it shows a weak similarity between the accused and asserted marks. It is apparent that the original ruling erred in not looking into whether the purchasing public would be confused about the source of each specified product.

Considering the above, the Supreme Administrative Court believed that there was still room for discussion in terms of similarity of the marks and goods. The original decision was thus reversed and the case was to be ruled anew after reinvestigation.

## Wisdom suggested strategies

As there are only so many words to choose from, it is not uncommon for multiple applicants to apply for and register trademarks with the same term and pairing it with various other words, images, or designs. “MONSTER” being one of these cases, the IP Court held that this results in the word’s weak distinctiveness. Therefore, even though both parties’ marks make use of “MONSTER”, they are considered dissimilar.

In contrast, the Supreme Administrative Court held an opposing view, observing that since “MONSTER” is not a term that conveys features of the goods, it is in fact distinctive, and others’ attempt at free-riding on the mark may confuse the relevant consumers. As both Mixi and Monster Energy have “MONSTER” as the main distinctive part in their marks, consumers are likely to associate them with one single source or believe there is some sort of connection. The marks, therefore, are

deemed similar.

This is good news to trademark owners: a common term is distinctive so long as it does not convey features or qualities of the goods or services. Those considering to apply for trademarks, however, should take caution when utilizing common words, be it foreign or not, as they do not necessarily guarantee a feasible trademark.

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