



經濟部智慧財產局

INTELLECTUAL PROPERTY OFFICE
MINISTRY OF ECONOMIC AFFAIRS

April - June 2015

Quarterly Report on Taiwan's Intellectual Property Rights Protection

On May 25, 2015, TIPO held a public hearing on the second draft amendment to the Copyright Act to solicit views from around 200 people comprising government agencies, right holder groups, user groups, relevant industries and the public. The key points of the discussion include adjusting moral rights for sound recordings and works of civil servants, use of copyrighted works for educational purposes, distance education, regulations governing fair use of works by public juridic persons and non-profit activities, criminal liability involving copyright, and whether or not the system of copyright registration should be reinstated.

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Special Report

MOU on PPH MOTTAINAI and MOU on Exchange of Industrial Property Information and PDX signed between Taiwan and Korea

The Taipei Mission in Korea and the Korean Mission in Taipei signed two Memoranda of Understanding (MOUs) on June 15, 2015, to establish collaboration on the Patent Prosecution Highway (PPH) MOTTAINAI program and exchange of industrial information and PDX between TIPO and KIPO. The two MOUs can benefit applicants with expedited examination procedures, allow the public to access industrial property information exchanged between the two nations, streamline procedures for applications filed with the two offices, and save paperwork and storage space. The TIPO-KIPO PPH MOTTAINAI program was set to commence on July 1, 2015.

TIPO and JPO commenced the program on mutual recognition of deposit of biological materials for the purpose of patent procedure on June 18, 2015

In November 2014, the Association of East Asian Relations and Interchange Association of Japan signed a memorandum of collaboration on mutual recognition of deposit of biological materials. Following the completion of relevant legal framework between TIPO and JPO, the two sides commenced the program on June 18, 2015.

Visits by USPTO's Senior Counsel Mark Cohen

The USPTO's Senior Counsel Mark Cohen, accompanied by AIT's Economic Officer Kris Kvols, visited TIPO on June 2, 2015, to exchange views with Director General Wang Mei-hua on cross-Strait IPR exchanges and Taiwan-US IPR issues.

On June 3, Mr. Cohen visited the IPR Police Corps and attended a discussion with Taiwan's right holder groups. On the same day, he also visited the Ministry of Justice to exchange views on the statistics of cases handled by the IPR special divisions of district courts, how the progress of counterfeiting, piracy, and online infringement investigations were affected by the amended Communication Security and Surveillance Act, as well as the judicial systems and practices involving trade secret cases.

On June 4, Mr. Cohen visited Customs Administration of the Ministry of Finance to exchange dialogues on respective IPR border measures, relevant laws and regulations, enforcement, and areas for strengthening future cooperation.

2015 Asia Pacific IPR Forum

On June 8-9, 2015, TIPO and NTU's College of Law co-hosted the 2015 Asia Pacific IPR Forum. Invited to this forum were Dean Sujit Choudhry of UC Berkeley School of Law, Professor Robert P. Merges of UC Berkeley School of Law, and Prof. Dr. Reto M. Hilty, Director of Max Planck Institute for Innovation and Competition, along with 46 keynote speakers and distinguished guests from Taiwan and abroad. Rounds of panel discussion were held to address the latest legislative development in patent, trademark, copyright, antitrust laws, and trade secrets in the US, mainland China, Korea, and Japan. With 322 people in attendance, this two-day event facilitated lively discussion and was very well received by all sectors.

Legislative Amendments

Draft amendment to the Copyright Act

In 2014, TIPO proposed the first draft amendment to the Copyright Act and held five public hearings. In the first half of May 2015, TIPO proposed the second draft and on May 25 held a public hearing. Around 200 people comprising government agencies, right holder groups, user groups, relevant industries and the public attended this latest hearing. The key points of the discussion include adjusting moral rights for sound recordings and works of civil servants, use of copyrighted works for educational purposes, distance education, regulations governing fair use of works by public juridic persons and non-profit activities, criminal liability involving copyright, and whether or not the system of copyright registration should be reinstated.

Legislative Yuan passes amendment to the Patent Attorney Act

On June 12, 2015, the Legislative Yuan passed the third reading of the amendment to the Patent Attorney Act. Following its promulgation by the President on July 1, the Act will come into force six months later (January 1, 2016). Key revisions include streamlining administrative procedures, allowing employment by a registered corporation, expanding scope of patent attorney practices, taking in-service training, and imposing heavier punishments for patent attorney malpractice.

Latest Developments

2015 cross-Strait forum on trademark

On April 23, the 2015 cross-Strait forum on trademark was held in Taipei to address China's new trademark laws, the establishment and operation of China's IP Court, and brand cooperation. This event saw attendance of over 200 people from respective academic institutes, government agencies, and the industries.

Comparison table of cross-Strait groupings for similar goods/services under the latest NCL (NSL 10-2015)

For the purpose of facilitating the searches of similar trademarks for the respective trademark applicants, TIPO has recently compiled a comparison table with reference to the table of names of goods/services and similar groupings provided by China in simplified Chinese, and the goods and basic numbers of services under the Nice Classification (NCL). With each entry shown in English, traditional Chinese, and simplified Chinese, this comparison table contains all of the entries under the NCL and is available online on the TIPO website beginning on June 4, 2015.

Protection of indigenous peoples' traditional intellectual creations

According to the Protection Act for the Traditional Intellectual Creations of Indigenous Peoples, the intellectual creations that are eligible for protection include traditional religious ceremonies, music, dance, songs, sculptures, weaving, patterns, clothing, folk crafts or any other expression of the cultural achievements of indigenous peoples. In this spirit, the Special Office for Promoting Traditional Intellectual Creations by Taiwan's Indigenous Peoples was established by National Tsing Hua University under the commission of the Council of Indigenous Peoples. This office assists indigenous peoples wishing to apply for protection of their creations and provides free legal counseling service. In May this year, the council began hosting a series of 15 information meetings with attendance totaling 331 people.

Enforcement and Latest Statistics

National Police Agency (NPA)

1. Enforcement News (April-June 2015)

From April to June, 2015, a total of 603 copyright infringement cases were uncovered involving 706 suspects and 695 trademark infringement cases were uncovered involving 769 suspects. The market values of these uncovered infringing goods were estimated by rights holders to be around NT\$5,715,481,409.

2. Enforcement results (April-June 2015)

A total of around 2,000 counterfeit Burberry, Coach, Tissot, and Prada products sold through TV shopping channels and online shopping sites were seized and transferred to district prosecutors offices for further investigation and prosecution on charges for violation of the Trademark Act.

3. International cooperation

- (1) A delegation of 13 people led by Mr. Yang Jiuming, Associate Counsellor of Beijing Intellectual Property Office visited the IPR Police Corps on April 10 to exchange dialogues on the types of IPR infringement investigation cases and the results of enforcement.
- (2) On April 16, 2015, Director Toichiro Gokan of Economic Section of Taipei Office of Interchange Association of Japan, former chairman Kyota Kishimoto and new chairman Sakamoto Masao of Japanese Chamber of Commerce in Taipei visited the IPR Police Corps and presented a collection of protected trademark rights compiled by the Chamber. This collection will provide reference to Taiwan's investigation agencies in the investigation involving trademarks.
- (3) On June 11, 2015, the IPR Police Corps held a seminar on Taiwan's IPR enforcement at Japanese Chamber of Commerce in Taipei. This event was requested by Interchange Association of Japan to help Japanese corporations learn more about Taiwan's IPR regimes.

Statistics for IP Infringement Cases

Unit : case/person

Year	Total		Trademark		Copyright		
	No. of Cases	No. of Suspects	No. of Cases	No. of Suspects	No. of Cases	No. of Suspects	No. of CDs Confiscated
2015 Apr. -Jun.	1,298	1,475	695	769	603	706	71,089
2014 Apr. -Jun.	1,277	1,456	714	798	563	658	98,426
Percentage Change: 2015/2014 Apr. -Jun.	1.64	1.30	-2.66	3.63	7.10	7.29	-27.77

Source: National Police Agency (NPA), Ministry of the Interior

Joint Optical Enforcement Taskforce (JODE)

From April to June 2015, JODE conducted 127 inspections of OD factories, printing plate factories and other related facilities. This total is 56 times less than in Q2 2014. In addition, JODE conducted 15 documented audits of the internal control and audit systems of outstanding OD factories after advising them on the establishment of such systems.

JODE's Inspection Results (April-June, 2015)

		2014		2014		2015
Number of Inspections		Jan.-Dec.		Apr.-Jun.		Apr.-Jun.
		660		183		127
		Day	Night	Day	Night	
		399	261	102	81	
Number of Cases Found Violating the Optical Disk Act		0		0		0
Number of Plants Closed	Manufacturing Plants	0		0		0
	Packaging Plants	0		0		0
Number of Cases Prosecuted		0		0		0
Number of Suspects Prosecuted		0		0		0
Number of Administrative Dispositions Administered According to the Optical Disk Act		0		0		0
Number of Machines Confiscated		0		0		0
Number of Illegal ODs (Pieces) Confiscated		0		0		0

Source: The Joint Optical Disk Enforcement Taskforce (JODE), Ministry of Economic Affairs

Customs Administration, MOF

1. Inspection Results:

In compliance with the Regulations Governing Customs Measures in Protecting the Rights and Interests of Trademark, Operational Directions for Customs Authorities in Implementing Measures for Protecting the Rights and Interests of Patent and Copyright, and other border measures, the Customs Administration from April to June 2015 yielded the following results:

Category	Trademark Violations		Copyright Violations		Export ODS Without Source ID Code	False Declaration of Source ID Code	Violation of SID Code	False Declaration of Trademark
	Exports	Imports	Exports	Imports				
Cases	1	81	1	3	0	10	64	1
Number	660	10,713	9	228	0	633,124	-	660

2. Major Inspections

- Taipei Customs' April 2 discovery of 300 pieces of counterfeit "My Beauty Diary" facial masks imported through express delivery; April 10 discovery of 400 counterfeit "Hello Kitty" figurines imported through express delivery; April 11 discovery of 79 counterfeit "Chanel," "Longchamp," "Hermes," "Dior," "Gucci," and "Louis Vuitton" products comprising leather pieces, scarfs, and pairs of sunglasses brought in by incoming passenger; April 30 discovery of 340 counterfeit "Swarovski," "Samsung," "Hermes," "Mi," and "Philips" mobile power packs imported through express delivery; May 9 discovery of 502 counterfeit "Hello Kitty" and "Doraemon" flexible rules imported through express delivery; and June 2 discovery of counterfeit "Egg yolk brother" coin purses and stuffed toys imported through express delivery.
- Keelung Customs' May 5 discovery of 215 counterfeit "Cat" air filters imported through sea transport; May 25 discovery of 660 bags of counterfeit "Formosa Chemicals" plastic pellets exported through sea transport; May 29 discovery of 1,150 pairs of counterfeit "Kangding" slippers imported through ship transport; and June 8 discovery of 560 counterfeit "Kemei" razors imported through ship transport.
- All the seized goods have been detained according to the laws and regulations of Taiwan.

3. International Exchange

- As part of active efforts to increase the flow of information between foreign customs offices on counterfeiting offenses, the Customs Administration from April to June 2015 provided international counterparts with information on 47 counterfeiting and piracy cases to customs offices of other nations.
- Exchange and Collaboration between Right Holders and Right Holder Groups**
 - On invitation of AmCham Taipei's Intellectual Property and Licensing Committee, representatives of the Customs Administration gave a speech on "Investigation of counterfeit goods transferred through express and postal delivery" on April 14, 2015. The two sides then exchanged dialogues on Taiwan's customs IPR border measures.
 - On April 16, 2015, representatives from the Interchange Association of Japan and the former and new chairmen of IPR committee of the Japan Chamber of Commerce and Industry visited the Customs Administration in hopes of strengthening exchanges and collaboration between right holders of Japanese corporations and Taiwan's customs authorities.
 - On June 17, 2015, representatives from the Adidas AG visited the Customs Administration to exchange views on how to strengthen right holder-customs collaboration to effectively crack down on the imports and exports of infringing goods.

d) On June 22, 2015, representatives from the Apple Inc. visited the Customs Administration to share information on the company's infringed products and exchange views on the types and trends of counterfeiting and measures to crack down on counterfeiting. On June 22, 2015, representatives from the Apple Inc. visited the Customs Administration to share information on the company's infringed products and exchange views on the types and trends of counterfeiting and measures to crack down on counterfeiting.

Taiwan High Prosecutors Office (THPO)

1. Enforcement Results (January-June, 2015)

District prosecutors offices across Taiwan uncovered 12 off-campus photocopying stores involving 12 suspects, and seized 82 illegally printed textbooks and 266 pirated e-books in PDF format. These infringing materials were worth NT\$21,116,606. The prosecutors offices will continue investigation to effectively deter such infringement.

2. Status of adjudication (January-June, 2015)

As shown in the table below, affirmed IPR infringement cases processed by Taiwan's district prosecutors offices from January to March 2015 totaled 1,677. Of these, 464 suspects in 367 cases were indicted under ordinary procedures; 394 cases involving 420 defendants were filed for summary judgment; 776 indictments involving 824 defendants were deferred; and 140 cases involving 149 defendants were closed by ex officio action. In the same period, 563 defendants were sentenced to prison terms at a conviction rate of 92.75%. Compared to the same period in 2014, the status of court rulings on IPR infringement cases (summary judgment included) is as follows. There are 884 indictments in 2015 and 742 in 2014, accounting for a 19.10% increase. As for the number of convictions, there are 563 defendants being convicted in 2015, accounting for a 28.80% decrease over those (426) of the same period in 2014.

Status of Adjudication of Taiwan District Prosecutors Offices on IPR Infringement Cases

unit: person

Sentence	Year	Status of adjudication and number of convictions										
		Total	Sentence								Not Guilty	Others
			Subtotal	Under 6 Months	6-12 Months	1-2 Year(s)	2-3 Years	Over 3 Years	Detention	Fines		
Total	2015 Jan.-Jun.	740	563	141	7	2	0	0	383	30	44	133
	2014 Jan.-Jun.	998	791	265	25	5	0	0	460	36	60	147
	Percentage Change(%)	-25.85	-28.82	-46.79	-72	-60	0	0	-16.74	-16.67	-26.67	-9.52

Source : The Prosecutors' Office for the Taiwan High Court

IPR protection education campaigns

● 2015 World IP Day Celebration—Get up, stand up for music

In celebration of the world IP Day, TIPO, the AIT, TISF, MUST, and RIT co-organized a workshop on April 22, 2015, inviting people in the music industry to share their experiences of creative works and exchange dialogues on IPR relating to the process of creating music in order to promote a stronger sense for IPR.

● IPR awareness ad

A 30-second IPR awareness ad "Say no to illegal download of music, movies, and articles" was aired 2,454 times in April 2015 in three languages (Mandarin, Taiwanese, and Hakka) by 28 local radio stations. The ad was created by TIPO to instill the right attitude among the general public regarding Internet copyright.

●The 1st joint meeting of 2015 on customs broking

On April 23, 2015, Kaohsiung Customs of the Ministry of Finance held the first joint seminar on customs broking, transport industry, import/export trade, warehouse industry, and container terminals. The event was held to step up awareness regarding relevant IPR border measures and regulations.

● Workshops on customs IPR border measures

A series of seven workshops on customs IPR border measures were held by the Customs Administration at Taichung, Kaohsiung, Keelung, and Taipei Customs on June 10, 11, 16, and 18, 2015. With 406 customs personnel in attendance, these workshops gave an overview of IPR, addressed customs IPR border measures, regulations, and enforcement in order to strengthen personnel's professional and enforcement capacities.

● **Campus IPR assistance team**

In May and June, the “Campus IPR assistance team” that comprised 133 seed instructors from 21 universities went to 46 elementary, junior high, and senior (vocational) high schools to promote IPR awareness to more than 7,000 students. A subsequent survey shows that over 80% of elementary schoolers became aware that downloading musical works online and sharing them with classmates constitutes violation of copyright; over 90% junior high school students became aware that plagiarism is violation of copyright; and over 90% of senior (vocational) high school students became aware that photocopying an entire textbook is violation of copyright.

● **“Internet copyright” campaign activities**

1. Three campaign activities have been slated for 2015 to increase university students’ awareness regarding Internet copyright. Two of which took place at Asia University and Feng Chia University on June 8 and 9, respectively, with 167 faculty members and students in attendance.
2. In addition to using Facebook to quickly disseminate campaign information to all of its networking friends, TIPO also held the “Friend Up & Support Original Creation” online contest. As of the end of June, TIPO had posted 70 pieces of information and provided 26 explanations regarding Internet copyright. More than 3,000 people have taken the online contest.

● **Ministry of Education’s campus IPR protection awareness campaigns**

1. Beginning 2015, the on-site visit for performance appraisal conducted under the “University/college IPR protection action plan” is incorporated into the “Campus IPR protection and information security (including security of personal information).” The visit is conducted on a four-year cycle, covering all universities and colleges and providing guidance to establish coping mechanisms for practical matters. As of June 30, the ministry had visited 20 universities and colleges.
2. The “2014 Public and Private University Academic Affairs Directors Joint Meeting” was held by National Taipei University under the commission of the Ministry of Education. Through this two-day event (June 11-12, 2015), the ministry asked attending directors to step up their efforts regarding campus IPR protection.
3. The ministry subsidized Taiwan’s university law departments to run the “Legal education program for elementary, junior high schools, and the community” for the year 2015. Under this program, a total of 48 educational sessions on campus IPR protection were held.

● **“IPR Protection Service Group” Information Meetings**

From April to June, TIPO held a series of 116 “IPR Protection Service Group” information meetings to raise people’s IPR awareness. The topics and effects of the meetings are listed below.

Topics	Time, Venue and Number of Participants	Issues addressed and Effects
1. IPR Laws and Regulations	From April to June, TIPO and the Service Group organized 76 meetings (10 at government agencies, 33 at government agencies, 12 at corporations, and 31 at universities) across Taiwan, with 5,498 people in attendance.	The meetings addressed patent, trademark, copyright, trade secrets, and layout designs of integrated circuits. On-site counseling was also provided to step up people's IPR awareness. Survey shows that 90% of the attendants gained better knowledge of copyright; 93% of the attendants learned that photocopying a book in separate times constitutes copyright infringement.
2. One-stop shop licensing service for karaoke machines	Three meetings were held in Taipei, Taichung, and Kaohsiung on April 10, 17, and May 29, with 177 people in attendance.	The meetings provided explanations on the notices concerning authorized reproduction of songs for karaoke machines, joint royalties, and channels for licensing. Survey shows that over 80% of the attendants learned that it is necessary to obtain public performance licenses when leasing karaoke machines for commercial purposes and that one-stop shop helps users to quickly obtain licenses.
3. “Copyright ownership and licensing in digital publication” and “Cultural and creative industries and copyright across the Strait”	Two meetings were held in Taipei on May 15 and June 12, with 234 people in attendance.	The meetings provided opportunities for experience sharing regarding copyright and online platform operation for e-books. They also provided explanations regarding licensing disputes facing cultural and creative industries, copyright laws and regulations, as well as maintenance of copyright and what remedies should be employed in the event of infringing scenarios in China. Survey shows that about 97.5% of the attendants gained better knowledge about copyright in the cultural and creative industries; over 80% of the attendants said that gaining such knowledge helps them with their work.