



經濟部智慧財產局

INTELLECTUAL PROPERTY OFFICE
MINISTRY OF ECONOMIC AFFAIRS

July - September 2014

Quarterly Report on Taiwan's Intellectual Property Rights Protection

In 2014, TIPO completed a draft partial amendment to the Patent Attorney Act. Major revisions include: a) adding provisions governing corporate employment of patent attorneys; b) revising the scope of patent attorney practices, including infringement analysis; c) adding provisions governing patent attorneys attending mandatory on-the-job training; and d) adding types of violation and misconduct, including lending attorney certificate and fake advertising, etc. On October 2, the Executive Yuan completed review of the draft amendment. On October 8, the draft amendment was then sent to the Legislative Yuan for further review.

Special Report

The 2014 Cross-strait Trademark Forum and the 4th Cross-strait Working Group Meeting on Trademark.

TIPO Director General Wang, Mei-hua led a delegation to the 2014 Cross-strait Trademark Forum and the 4th Cross-strait Working Group Meeting on Trademark held on July 17-18, 2014 in Inner Mongolia, mainland China. This year's forum focused on China's new Trademark Law, with TIPO delegates reporting on Taiwan's trademark regime and sharing experiences in relevant examination. At the group meeting, both sides exchanged feedback on the implementation of a mechanism for trademark coordination and disposition, and addressed issues regarding enhancing "two-way notification for coordination and disposition of trademark cases" and "trademark examiner exchange program."

The 5th Taiwan-UK Videoconference on IPR

On July 25, 2014, TIPO and the UKIPO jointly held the 5th videoconference on IPR to give updates and share feedback on trade secret protection, patent border protective measures, the UK's draft legislative amendment concerning design patent, mutual recognition of deposit of biological materials, blocking access to foreign rogue sites, and enforcement of IPR protection.

TIPO Attends the 39th APEC/IPEG Meetings

TIPO sent a delegation to attend the 39th APEC/IPEG meetings held on August 10-11, 2014, in Beijing, mainland China. At the seminar on trade secrets held by the US on August 9, the delegates gave an overview of Taiwan's newly-amended Trade Secrets Act. Later, at the IPEG meeting, the delegates in a presentation entitled "Reform of copyright limitations and exceptions in the era of digitization" elaborated on the latest amendments to the Trade Secrets Act and the Copyright Act.

Cross-Strait Copyright Exchanges of 2014

The 7th Cross-strait Seminar on Copyright Protection was held on August 16, 2014, in Yinchuan, Ningxia Hui Autonomous Region of mainland China. TIPO delegates attended the event to exchange views with copyright officials from China's National Copyright Administration.

Jointly held by the Chinese Commercial & Industrial Coordination Society and mainland China's Copyright Society, the seminar saw attendance of approximately 35 Taiwan scholars and experts from TIPO, the Ministry of Culture, the National Palace Museum, the Straits Exchange Foundation, and private sectors, as well as 100 people from China's National Copyright Administration, State Administration of Press, Publication, Radio, Film and Television, Taiwan Affairs Office of the State Council, and copyright bureaus and associations of provinces, municipalities, and autonomous regions.

This seminar primarily focused on "the direction of copyright law revisions across the Strait" and "development in the copyright industry and their protection across the Strait," featuring lectures on subjects such as experiences and direction in amendments to copyright laws across the Strait, operation of copyright CMOs, and development in copyright protection of cultural and communications industries, audiovisual industry, and television industry.

At the working group meeting, both sides exchanged views on dispute disposition and copyright authentication for audiovisual works, and issues concerning respective amendments to copyright laws. The Taiwan side then elaborated on strengthening copyright protection of online Taiwan TV programs and pop music, copyright infringement involving media boxes made in China, fairness in copyright registration and authentication, as well as copyright protection in the cultural industries under the Cross-strait Agreement on IPR Protection and Cooperation. In turn, Chinese officials showed a positive attitude toward the issues addressed.

MOEA Convenes the 2nd IPR Protection Interagency Coordination Meeting of 2014

On August 26, the Ministry of Economic Affairs (MOEA) convened the "2nd IPR Protection Interagency Coordination Meeting of 2014." At the meeting, the Ministry of Justice and MOEA's SME (Small and Medium Enterprise) Administration respectively reported on "how to strengthen trade secret enforcement in different aspects" and "implementation and results of IPR value-added services to SMEs." The representatives also exchanged views on the implementation of the "IPR Action Plan: January-June."

CMO Representatives from Japan, Australia and Other Countries Visit TIPO

On September 11, 2014, representatives from four CMOs (Satoshi Watanabe from JASRAC, Scot Morris from APRA, CISAC's Asia Pacific regional director Benjamin NG, and IFPI's regional director K.T. Ang) visited TIPO to exchange views on copyright fair use, extending terms of copyright protection, online infringement, and other practical issues concerning CMOs administering copyrighted works.

Legislative Amendments

The Executive Yuan Passed Partial Amendment to the Patent Attorney Act

The Patent Attorney Act has only been amended once in 2009 since its promulgation in 2007. Since then, there have calls for amendment to regulations governing patent attorney practices. To this purpose, TIPO in 2014 completed a draft partial amendment to the Patent Attorney Act. Major revisions include: a) adding provisions governing corporate employment of patent attorneys; b) revising the scope of patent attorney practices, including infringement analysis; c) adding provisions governing patent attorneys attending mandatory on-the-job training; and d) adding types of violation and misconduct, including lending attorney certificate and fake advertising, etc. On October 2, the Executive Yuan completed review and passed the draft amendment. On October 8, the amendment was then sent to the Legislative Yuan for further review.

The amended Paragraph 2 of the Procedures for Customs' Notification of Suspected IPR Infringement Cases and Their Transfer to Criminal Investigation Authorities

The Customs Administration of the Ministry of Finance on August 20, 2014, promulgated the amended Paragraph 2 of the Procedures for Customs' Notification of Suspected IPR Infringement Cases and Their Transfer to Criminal Investigation Authorities. At the same time, relevant district customs were notified by the Administration to implement the amended Procedures.

Latest Developments

IP Seminar for SMEs in the Bicycle Industry.

Commissioned by the MOEA's SME Administration for the promotion of the "Creating IP Values for SMEs" project, the Industrial Technology Research Institute is providing guidance to SMEs that are key supply chains leading the industries in the market or possessing high capacity for innovation and R&D.

In 2014, "bicycle industry" was selected as the target for promotion. To this purpose, an IP seminar for SMEs in the bicycle industry was held on July 17 at the National Museum of Natural Science in Taichung. Professors from the Graduate Institute of Patent of the National Taiwan University of Science and Technology, as well as experts from the ITRI Technology Transfer Center and the Electronics Testing Center were invited to the event. Also in attendance were 129 SME representatives from the bicycle industry. The event centered around the invited professors and experts sharing their experiences on key IP concepts and discussing in-length patent analysis results involving component parts of bicycles.

The main topics of the seminar were "How SMEs may use patent information to strengthen their business competitiveness" and "Trends in developing patents in the bicycle industry and key points in IP management," covering issues concerning "Patent search and analysis," "Design-arounds," and "Patent infringement litigation." The event also systematically analyzed the patents in bicycle component parts having been produced by relatively more Taiwan manufacturers and yielding greater export values.

The 2014 Seminar on Examination Practices of Part-Time Patent Examiners

On August 7-8, TIPO held the "2014 Seminar on examination practices of part-time examiners," highlighting the following issues: case analysis of invention patent examination practices, case analysis of patent administrative litigation, and examination of digitized patent applications. The event was aimed at helping part-time patent examiners improve their examination quality and efficacy.

The 2014 Seminar on Marks of Origin Successfully Concluded

On September 24, 2014, TIPO and the Executive Yuan's Council of Agriculture (COA) co-organized the 2014 Seminar on Marks of Origin, inviting mainland China's GI experts to share their experiences in the promotion of GI products. Nearly 200 representatives from agriculture-related government agencies, farmers and fishermen's associations, agricultural and fishery product development associations, as well as agriculture research institutes attended the event. Through experience sharing and exchange of views, the participants were able to learn more about how to use locational advantages and agricultural technology for the purpose of promoting marks of origin and improving the mechanism for their management and supervision.

Taiwan-Japan Trademark Examiner Exchange

The 2014 Taiwan-Japan trademark examiner exchange took place in Japan from September 29 to October 3. While there, TIPO examiners provided case studies on the new types of categorization for goods/services, names to the place of origin that are likely to cause misbelief and misidentification, and trademark distinctiveness. The examiners also exchanged views with Japanese counterparts on issues of concern to Japan, i.e. examination of non-conventional trademarks in Taiwan, and determining "other relationships" as stipulated in Subparagraph 12, Paragraph 1, Article 30 of the Trademark Act.

Enforcement and Latest Statistics

National Police Agency (NPA)

1. Enforcement News (July-September 2014)

From July-September 2014, a total of 612 copyright infringement cases involving 787 suspects and totaling NT\$51,754,507,177 were uncovered. Also uncovered were 789 trademark infringement cases involving 902 suspects and totaling NTD673,505,764. The total market value of all the seized goods was estimated by right holders at NT\$52,428,012,941. The above cases were transferred to district prosecutors offices for further investigation according to Taiwan laws.

2. Major Cases Involving Economic Crime (July-September 2014)

One serious case of economic crime involving over 10,000 Blackcas cards, ¥500,000 in banknotes, an assortment of satellite receivers, satellite amplifiers, satellite disks, desktops, and memory card readers was uncovered and transferred to Taiwan's Taipei District Prosecutors Office for further investigation and prosecution on charges for violation of the Copyright Act.

3. International Exchange

- (1) On September 25, 2014, a team of over twenty people comprising representatives from the Interchange Association, Japan, and the National Police Agency of Japan visited the IPR Police Corps to learn more about its work following the recent restructuring and uncovered cases involving significant infringement.
- (2) On September 30, 2014, the AIT Economic Officer Kris Kvols along with another official visited the IPR Police Corps to learn more about its investigation results following the recent restructuring and strategies for future investigations.
- (3) IPR Police Corps Deputy Chief Chen, Chi-chung and Lieutenant Captain Hsieh, Yi-an on invitation from the Interchange Association, Japan, visited Tokyo and Osaka from September 29 to October 3. During their visit, Chen and Hsieh met with representatives from Japan’s major corporations, providing updates and exchanging views on the Corps’ structure and recent IPR investigation work.

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
2014 Jul. -Sept.	1,401	1,689	789	902	612	787	230,505
2013 Jul. -Sept.	1,403	1,630	839	977	564	653	2,325
Percentage Change: 2014/2013 Jul. -Sept.	-0.14	3.62	5.96	-7.68	8.51	20.52	9814.19

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

Joint Optical Enforcement Taskforce (JODE)

From July-September 2014, JODE conducted 179 inspections (95 daytime and 84 nighttime) of OD factories, printing plate factories and other related facilities. This total is 2 times less than those of the same period last year (181 inspections; 96 daytime and 85 nighttime). 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. In collaboration with the IPR Police Team, JODE officials during the same period also took part in a total of 35 night market sweeps.

JODE’s Inspection Results (July-September, 2014)

		2013		2013		2014	
		Jan.-Dec.		Jul.-Sept.		Jul.-Sept.	
Number of Inspections		700		181		179	
		Day	Night	Day	Night	Day	Night
		380	320	96	85	95	84
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, Ministry of Finance

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 July to September 2014 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	0	23	0	1	0	0	0	26
Number	0	2,793	0	30	0	0	0	-

2. Major Inspections

Major inspection results from this quarter include: Taipei Customs' July 11 discovery of 264 pairs of counterfeit "Hello Kitty" earphones; Taipei Customs' July 21 discovery of 300 pieces of counterfeit "Hello Kitty" assorted items imported through express delivery; Taipei Customs' August 5 discovery of 154 counterfeit "Hello Kitty" handbags and a total of 758 counterfeit "Stitch," "One Piece," and "Line" key chains imported through express delivery; Taipei Customs' August 11 discovery of 180 counterfeit "One Piece," "Doraemon," "Crayon Shin-chan," and "Line" assorted items; and Taichung Customs' September 1 discovery of 378 counterfeit "World Trunk" trunks. All the seized goods have been detained according to Taiwan laws.

3. International Exchange

- (1) As part of active efforts to increase the flow of information between foreign customs offices on counterfeiting offenses, the Customs Administration from July-September 2014 provided international counterparts with information on 26 counterfeiting and piracy cases.
- (2) Strengthening information exchange and cooperation on investigation with other enforcement agencies:
On July 2, 2014, IPR Police Corps representatives visited Customs Administration of the Ministry of finance to share information on new forms of infringement and trends for smuggling, as well as to discuss how to strengthen information exchange and cooperation on investigation in the future.
- (3) Enhancing Exchange and Cooperation between Rights Holders and Rights Holder Groups
 - a) On August 12, 2014, representatives from the Hunter Boot Ltd. (as a holder of trademark right) visited Customs Administration to exchange views and discuss how right holders and customs authorities can work together to effectively fight against the flow of infringing goods.
 - b) On August 28-29, 2014, the "2014 National Training Workshop on the Identification of Counterfeit Goods" was held by the Customs Administration and the IPR Business Partnership at Howard Civil Service International House in Taipei to help customs and other enforcement agency officials strengthen their IPR protection capacity and to promote Taiwan's international image as one of the major forces in the crackdown on counterfeiting and piracy. Invited to the event were 29 Taiwan and foreign experts who gave lectures on the techniques of identifying genuine and counterfeit international brand-name products. The workshop saw a total of 80 trainees from the Ministry of Justice's Department of Prosecutorial Affairs and Investigation Bureau, TIPO, and the Special Police Second Headquarter of the National Police Agency.
 - c) On September 4, 2014, representatives from the HTC Corporation (as a holder of trademark right) visited Customs Administration to learn more about the new measures and procedures for filing with customs authorities to carry out administrative seizure of patent-infringing goods. The representatives and customs officials have reached consensus on how to actively work together to fight against infringement.

Taiwan High Prosecutors Office (THPO)

1. Enforcement Results (January-September, 2014)

In addressing the problems concerning on-campus illegal textbook photocopying, the Ministry of Justice has included investigation of illegal photocopying of textbooks as part of the major work under the "IPR Action Plan." From January to September 2014, district prosecutors offices across Taiwan uncovered 11 photocopying facilities involving 11 suspects, with 7 illegal textbooks being seized and transaction money amounting to NT\$461,000. The THPO will continue supervising district prosecutors offices on investigation work to effectively deter infringement involving off-campus textbook photocopying.

2. Status of Court Rulings (January-September, 2014)

Affirmed IPR infringement cases processed by Taiwan's district prosecutors offices between January 1 and September 30, 2014 totaled 2,260. Of these, 510 suspects in 435 cases were indicted under ordinary procedures; 589 cases involving 607 defendants were filed for summary judgment; 1,124 indictments involving 1,168 defendants were deferred; and 112 cases involving 125 defendants were closed by ex officio action. In the same period, 1,104 defendants were sentenced to prison terms at a conviction rate of 92.38%. Compared to the same period in 2013, the status of court rulings on IPR infringement cases (summary judgment included) is as follows. There are 1,111 indictments in 2014 (Jan-Sept) and 1,333 in 2013 (Jan-Sept), accounting for a 16.20% decrease. As for the number of convictions, there are 1,104 defendants being convicted in 2014 (Jan-Sept), accounting for a 7.29% increase over the same period (1,029) of last year. The adjudication is outlined in the table below.

Status of Adjudication of Taiwan District Courts 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	2014 Jan.-Sept.	1,421	1,104	377	34	7	0	0	633	53	91	5
	2013 Jan.-Sept.	1,259	1,029	434	43	7	0	0	512	33	60	0
	Percentage Change(%)	12.87	7.29	-13.13	-20.93	0	0	0	23.63	60.61	51.67	100

Source : The Prosecutors' Office for the Taiwan High Court

IPR Awareness

Ongoing IPR Awareness Information Meeting Series

In March, TIPO officially kicked off the “IPR Protection Service Group” information meeting series of 2014 to raise people’s IPR awareness. The topics and effects of the meetings held between July and September are listed below:

Topics	Time, Venue and Number of Participants	Issues Addressed and Effects
1. IPR Laws and Regulations	From July to September, TIPO and the Service Group organized 38 meetings (8 at government agencies, 13 at corporations, and 17 at schools) across the island with 4,070 people in attendance.	The meetings addressed patent, trademark, copyright, trade secrets, and other related issues. On-site counseling was also available to step up people's IPR awareness. Survey shows that 95% of the participants are willing to go to similar events in the future and 87.9% have learned that photocopying an entire book in separate times still constitutes copyright infringement.
2. Legal Use of Software by government agencies and state-run enterprises	Two meetings were held respectively in Taipei on July 7 and in Taichung on September 19, with 284 people in attendance .	The meetings introduced and provided explanations on software piracy commonly seen in government procurement, types of misleading licensing, computer programs, legal use of computer software, and regulations governing licensing. Survey shows that 85.6% of the participants have learned more about the “types of software licensing.”
3. Internet Copyright	One meeting was held on July 17 in Taichung, with 51 people in attendance.	The meeting provided explanations on copyright in blogs, online sales, and legal use of online music, movies and photographs. Survey shows that 100% of the participants have learned more about observing copyright regulations governing the use of Wikipedia contents, and uploading and sharing musical works as a paid P2P site member still constitutes copyright infringement.
4. Copyright at Business Venues	One meeting was held on July 25 in Kaohsiung, with 51 people in attendance.	The meeting provided explanations on the common types of use of copyrighted works, karaoke machine rentals, and how to obtain licenses of legal use. Radio, TV, shopping mall proprietors attending the events have learned more about the mechanism for licensed use of copyright involving public music broadcast.
5. Copyright in cultural and creative industries — “Digital publishing,” “Copyright across the Strait,” and “Pop music.”	Three meetings were held on August 15, 28 and September 4 in Taipei and Taichung, with 206 people in attendance.	The meetings provided explanations on copyright basics, common licensing disputes facing cultural and creative industries, as well as copyright maintenance and remedy employed in the event of infringing scenarios in China. Nearly 70% of the participants say they have learned more about the specifics of copyright.

● Campus IPR Assistance Team

In September of this year, the Campus IPR Assistance Team comprising a total of 133 students from 24 universities and colleges went to 50 elementary, junior high, senior (vocational) high schools across Taiwan using lively activities, short skits, and fun Q&A games to promote proper IPR concepts. Survey shows that of the 14,482 student participants, over 90% of elementary school students have learned that it is copyright infringement to upload and download works of music, and share them with other classmates; over 90% of junior high school students have learned that plagiarism is copyright infringement; and over 90% of senior (vocational) high school students have learned that distributing in-class sound recordings constitutes copyright infringement. These awareness activities were successfully concluded.

● IPR Awareness Radio Ad

1. A 30-second IPR awareness ad “Obtaining legal licenses for music broadcast in business venues” in three languages (Mandarin, Taiwanese, and Hakka) was aired 59 times from July 7 to August 31 on Best Radio. The ad is aimed at fostering respect for copyright among business proprietors.
2. A 30-second IPR awareness ad “Say No to Illegal Download of Music, Movies, and Articles” was aired 172 times from September 1 to 30 in three languages (Mandarin, Taiwanese, and Hakka) on Best Radio. The ad is aimed at cultivating the right attitude among people toward Internet copyright.

● The 2nd and 3rd Internet Copyright Awareness Campaigns Successfully Held

As part of its continuous effort to increase awareness of Internet copyright, TIPO held the 2nd and 3rd Internet copyright awareness campaigns on August 20 and September 17 at Eslite Bookstore Dunnan flagship and National Taiwan University of Arts, respectively. Invited to the events were creative masters such as travel writer Chu, Shiyang, illustrator Ann Wang, popular blogger abig99, and renowned director Chu, Yu Ning, who shared stories of their creative process and exchanged ideas with the participants. Also at the events were copyright experts answering related questions and explaining correct Internet copyright concepts. The campaigns concluded with the creative masters demonstrating first-hand how a work of art is created, thereby enabling the participants to appreciate the importance of copyright and to learn more about legal use of copyrighted works on the Internet.

● Campus IPR Protection Awareness

1. As part of its continuous effort in the implementation of the Action Plan for On-Campus IPR Protection, the Ministry of Education began reviewing the results of self-evaluation of universities and colleges implementing the Action Plan for the academic year of 2013.
2. On September 2, 2014, the Ministry of Education issued a notice requesting all universities and colleges to strengthen IPR awareness promotion and counseling services, as well as to educate students to use licensed textbooks (including second-hand textbooks) and to refrain from infringing upon other people's copyright (e.g. illegally photocopying textbooks or teaching materials).
3. On September 2, 2014, the Ministry of Education issued a notice requesting all universities and colleges to inform new faculty members to get access to TIPO’s “Classroom Instructions—Copyright Quick Tips” to acquaint themselves with correct copyright concepts.
4. A series of meetings (e.g. the “2014 Seminar on the Operation and Management of Universities and Colleges—Necessary Changes and Development in Higher Education Facing Declining Birth Rate” on August 25-26; the “2014 Working Seminar on Extracurricular Activities of Universities and Colleges” on August 26-27; and the “2014 Meeting of University and College Vice Presidents (Directors) for Student Affairs ” on August 18-19) organized by the Ministry of Education in 2014 were aimed at requesting universities and colleges to continually strengthen their promotion of the Action Plan for On-Campus IPR Protection and management of on-campus photocopying facilities.