



經濟部智慧財產局

INTELLECTUAL PROPERTY OFFICE

MINISTRY OF ECONOMIC AFFAIRS

January-March 2018

Quarterly Report on Intellectual Property Rights Protection in Taiwan

On January 12, 2018, TIPO and the EUIPO signed an MOU on bilateral cooperation, marking yet another milestone in IPR cooperation between the two sides.

The MOU of the Patent Prosecution Highway (PPH) Mottainai program between the TIPO and the Canadian Intellectual Property Office (CIPO) was signed on January 31, 2018, and came into effect on February 1.

Special Report

TIPO and the EUIPO signed an MOU on bilateral cooperation

On January 12, 2018, TIPO and the EUIPO signed an MOU on bilateral cooperation. Under the framework of this MOU, the two offices will jointly push for cooperation in areas such as integration of information tools, personnel training, expert meetings, and harmonization of best practices. The two offices also agreed to exchange views on international IPR issues, as well as legislative developments and practices of each office, in the hope of further strengthening IPR regimes and improving services.

With the MOU in place, the two offices will be able to enhance mutual understanding and work even more closely together, which will certainly bring substantive benefits to industries and applicants in Taiwan and Europe. It will also pave the way for more future cooperation, making it possible for the two sides to develop stronger strategic partnership, create an environment more conducive to IPR protection, and provide better services to applicants in general.

Taiwan-Canada PPH Mottainai program launched in February

The MOU of the Patent Prosecution Highway (PPH) Mottainai program between the Taiwan Intellectual Property Office (TIPO) and the Canadian Intellectual Property Office (CIPO) was signed on January 31, 2018, and came into effect on February 1.

Under this scheme, after applicants apply for patents for the same invention in both countries, when they get positive examination results from either patent office, they are eligible to file a PPH request at the other office, thereby accelerating examination process. The cooperation program will make the patent examination process faster and more efficient, and TIPO urges applicants of both countries to make full use of it. For the application form for requesting PPH and for more information about the PPH partnership between Taiwan and Canada, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=656360&ctNode=7127&mp=1>

Legislative Amendments

The Guidelines on the Hearing System for Patent Invalidation Cases has come into effect

TIPO has published contents of the Guidelines on the Hearing System for Patent Invalidation Cases on March 1 this year and made changes of wording according to public opinions collected since then. The Guidelines came into effect on March 30, 2018. Major provisions in the Guidelines include:

- (1) Parties concerned in a patent invalidation case can make a suggestion about holding a hearing. TIPO can also decide to hold a hearing on a case-by-case basis when necessary.
- (2) Hearings of patent invalidation cases will be conducted by a collegiate panel made up of three examiners before an examination decision is made to ensure that the examination is carried out in a detailed and comprehensive manner.
- (3) Parties concerned in a patent invalidation case can make an oral statement when a point of contention is confirmed, allowing them to have all of their opinions heard, which can help clear things up and unearth the truth.
- (4) In general, hearings concerning patent invalidation cases are open to the public. In addition to stakeholders of the patent in dispute, the public can also attend and observe the hearing by making an application online, allowing the participation of a wider audience.

By introducing practices such as a panel and a public hearing—which allows greater participation of the public—to the Guidelines on the Hearing System for Patent Invalidation Cases, it is hoped that the accuracy of examination results on patent invalidation cases will improve, and that people will develop a greater trust in the decisions.

For more information, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=663893&ctNode=7127&mp=1>

Latest News

1. TIPO held its second public hearing on draft amendments to the Patent Act on January 15, 2018

On January 15, 2018, TIPO held its second public hearing on draft amendments to the Patent Act. Topics discussed including: filing for a divisional application after a decision of approval pertaining to the parent patent application is rendered; the legal effect of supplementing reasons or evidence provided later than the time limit in the invalidation proceedings; and the patent term of a design patent. About 100 people showed up for the event. Suggestions made at the public hearing have been replied by TIPO in writing and put on TIPO's website. For more information, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=659826&ctNode=7127&mp=1>

2. TIPO updated the Taiwan-Japan Concordance of Similar Group Codes, as well as the Cross-strait Concordance of Similar Group Codes, on its website in accordance with the latest NCL (11-2018)

As the 2018 version of the 11th edition of the Nice Classification (NCL) came into force on January 1, 2018, TIPO updated the Taiwan-Japan and the cross-strait concordances of similar group codes of goods and services on its website accordingly. By so doing, it is hoped that the concordances can serve as a reference point when users try to identify the classification of designated goods and/or services or to carry out a search for similar trademarks already pending or registered, thereby affording applicants an opportunity to develop better advance planning before they file trademark applications. For more information, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=540793&ctNode=7573&mp=1>

<https://www.tipo.gov.tw/ct.asp?xItem=659796&ctNode=7127&mp=1>

3. TIPO expands the IPR Action Plan section on its website

TIPO has expanded the IPR Action Plan section on its website to include more materials such as IPR Action Plans of different periods of years, law enforcement results and statistics of competent authorities, statistics on the investigation of counterfeit offences, court rulings on IPR infringement cases, as well as IPR awareness campaigns and related reports. By so doing, it is hoped that the public will have a better knowledge about measures Taiwan has taken to curb piracy through its IPR Action Plans.

4. TIPO wraps up the backlog reduction project

Under the auspices of the Executive Yuan, TIPO has since 2010 been carrying out a patent backlog reduction project, which has been completed recently at the end of 2017, with a total of 431,255 cases being examined, exceeding the original target of 413,316 by 17,939 cases. Among them, the backlog of pending invention patent applications has dropped to about 44,000, a great achievement by the office. In addition, in 2017, the total average pendency was further reduced to 16 months, fully demonstrating the effectiveness of the patent backlog reduction project.

5. TIPO publishes its patent and industrial report concerning the IoV industry

TIPO has referred to technical standards set by standard-setting organizations for the Internet of Vehicles (IoV) industry in the US, Europe, and Japan—including the Institute of Electrical and Electronics Engineers (IEEE), European Telecommunications Standards Institute (ETSI), and the Association of Radio Industries and Businesses (ARIB)—as well as the International Organization for Standardization (ISO) in 2017, and wrote a report analyzing patents related to the IoV industry, in an attempt to set an example for local industries as to how to identify potential standard essential patents (SEPs) by actively reviewing specific technical standards of an industry and conducting patent searches. By so doing, it is hoped that relevant circles in Taiwan will gain a better understanding about the possible types of potential SEPs for the communication interface of the IoV, as well as the plausible methods to identify potential SEPs. In other words, the report can serve as a reference point for researchers or business operators interested in establishing technical standards for the IoV or other related industries. For more information, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=655814&ctNode=7127&mp=1>

6. TIPO releases an analysis report on trends regarding FinTech patents

The FinTech industry has been booming in many countries, and the number of FinTech patents has been on the increase over the years. In contrast, the number of FinTech-related patents in Taiwan is relatively low, and the island lacks many of the core technologies to develop the industry. To provide support, in 2017, TIPO made an analysis report on statistics concerning FinTech-related patent applications on the international stage over the past ten years, in an attempt to find out the direction of technology development and application for the FinTech industry. The report also covers patent documents of international core technologies, contents of such technologies, as well as analysis on the future trends of them. It is hoped that the report can serve as a reference point for domestic financial-related industries interested in expanding their FinTech patent portfolios. For more information, please visit:

<https://www.tipo.gov.tw/ct.asp?xItem=663332&ctNode=7127&mp=1>

7. MOE sets up a report mechanism for suspected IP infringement on campus

Under this mechanism, the Ministry of Education (MOE) will start an investigation when a report of suspected IP infringement is made to it by the public. When it is confirmed that such infringement did take place, the Ministry will pass on related information, including content and source of the report to the head of information system of that university as well as the regional center of the Taiwan Academic Network (TANet) providing services to the same university.

8. MOE sets up an email for reporting TANet-related IP infringement offences

The MOE has set up an email address (abuse@moe.edu.tw) for reporting TANet-related IP infringement offences. As of today, the Taiwan Book Publishers Association, a rights-holder group in Taiwan, has reported twice through the email in January and March, respectively, to ask the MOE to thwart access attempts through TANet to link to foreign infringing websites containing pirated textbooks. The MOE has responded and banned such access.

Law Enforcement Results and Statistics

The National Police Agency (NPA)

1. Law Enforcement Results

From January to March 2018, a total of 558 copyright infringement cases involving 627 suspects and worth NT\$380.58 million; a total of 467 trademark infringement cases involving 531 suspects and worth NT\$525.17 million; and a total of one trade secret infringement case involving one person and worth NT\$1.31 million were recorded. In total, there were 1,026 IPR infringement cases involving 1,159 suspects, with the amount of money lost as a result reaching NT\$907.07 million. The abovementioned cases were later transferred to district prosecutors offices for further investigation.

2. Major Cases

A scam ring applied and gained a trademark for glasses in Taiwan. It then imported fake spectacles from mainland China, sold them to 33 glasses shops in Taiwan, before it reported to police about the “frame-up infringement” of their registered trademark, in an attempt to scam a high amount of settlement (it demanded a settlement of NT\$300,000 from each shop). The case was later cracked by the Criminal Investigation Brigade (CIBr) of the NPA under the command of the Prosecutors Office.

3. International Exchanges

(1) On March 2, 2018, representatives of the Japan-Taiwan Exchange Association, the Japan Automobile Manufacturers Association, and the Bandai Namco Entertainment Inc. (BNEI) paid a visit to the Criminal Investigation Brigade (CIBr). They thanked the team for its efforts in cracking down fake products and discussed about how to work together in the future investigations.

(2) On March 12, 2018, representatives of the Recording Industry Foundation in Taiwan (RIT), the Taiwan Book Publishers Association (TBPA), the Motion Picture Association (MPA), and the Business Software Alliance (BSA) paid a visit to the Criminal Investigation Brigade (CIBr). They thanked the team for its efforts in cracking down IP infringement cases and talked about how to work together in the future investigations.

Statistics for IP Infringement Cases

Unit: Case/Person (January – March 2018)

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
Jan-Mar 2018	550	623	292	343	258	280	48,173
Jan-Mar 2017	596	760	407	484	188	276	62,971
Percentage Change (%) (Jan-Mar 2018 / 2017)	-7.72	-18.03	-28.26	-29.13	37.23	1.45	-23.50

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

The Joint Optical Disk Enforcement Taskforce (JODE)

From January to March 2018, the Joint Optical Disk Enforcement Taskforce (JODE) of the Ministry of Economic Affairs has conducted a total of 67 inspections on OD factories, printing plate factories, and related facilities, six times less in comparison with the same period of time last year (73 times). The JODE also consulted law-abiding OD factories to establish an internal control and audit system and has carried out, during this period, eight relevant documented audits in this regard. No major violation was found as a result.

Unit: Case/Person (January – March 2018)

JODE's Inspection Results

Jan-Mar 2018

	2017	2017	2018
		Jan-Mar	Jan-Mar
Number of Inspections	322	73	67
No. of Documented Audits / Consultations	38	11	8
Number of Cases Found Violating the Optical Disk Act	0	0	0
Number of Plants Closed	Manufacturing Plants	3	1
	Packaging Plants	0	0
Number of Cases Prosecuted	0	0	0
Number of Suspects Prosecuted	0	0	0
Number of Administrative Dispositions	0	0	0
Number of Machines Seized	0	0	0
Number of Illegal ODs (Pieces)	0	0	0

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

The Customs Administration

1. Law Enforcement

(1)The Customs Administration of the Ministry of Finance has been carrying out its duties regarding border protection in accordance with the Regulations Governing Customs Measures in Protecting the Rights and Interests of Trademark, and the Operational Directions for Customs Authorities in Implementing Measures for Protecting the Rights and Interests of Patent and Copyright. Results of the customs Administration from January to March 2018 are listed as follows:

Jan-Mar 2018	Trademark Violations		Copyright Violations		Exported ODs without a SID Code	False Declaration of SID Codes	False Declaration of Trademarks
	Exports	Imports	Exports	Imports			
No. of cases	1	54	0	0	0	2	81
No. of items	8898	61,159	0	0	0	1,560	1,004,249

* Here, "False Declaration of Trademarks" refers to failing to or untruthfully declare trademarks, as prescribed in paragraph 3, Article 17 of Foreign Trade Act. Source: Customs Administration, Ministry of Finance

(2)From January to March 2018, there are a total of 14 trademark infringement cases lodged either by a complaint or by an advice at the customs; and an extension for protection was filed at the customs for a total of nine cases lodged by an advice.

2. Major Cases

(1)Taipei Customs: The Taipei Customs uncovered 240 fake G-SHOCK watches in January 2018; as well as 360 fake Dior Addict lipsticks and 1,705 pairs of fake Fila glasses in February of the same year. All were imported via express delivery.

(2)Keelung Customs: The Keelung Customs uncovered a total of 29,062 fake Totoro dolls imported by sea freight in January and February 2018.

3. International exchanges

(1)On February 25, officials attended "Trademark Infringement Determinations in a Border Enforcement Context", a seminar held by the US in Papua New Guinea. In the meeting, representatives also made a presentation, entitled "The Practice of Trademark Protection at Border Enforcement Level", to introduce the legislative purposes for relevant systems in Taiwan, Taiwan's border control measures to protect IP, as well as the current situation, and exchanged views with representatives of other economies on relevant topics.

(2)As part of its efforts to improve the flow of information regarding counterfeiting offences, the Customs Administration has provided eight pieces of information to customs authorities of other countries, from January to March 2018.

The Taiwan High Prosecutors Office (THPO)

1. Law Enforcement Results

In 2018, the District Prosecutors' Offices of the MOJ have uncovered eight photocopying stores with nine suspects, on campus and off campus, involved in illegal photocopy activities. Materials seized by the District Prosecutors Offices include e-book files, audio and video files, pirated ODs, pirated exercise books, host computers, CD burners, as well as photocopying machines.

2. Court Rulings

From January to March 2018, the District Prosecutors Offices in Taiwan have investigated and closed a total of 452 cases suspected of IPR infringement, involving 483 suspects. Among them, 131 suspects in 111 cases were indicted under ordinary procedures; 111 suspects in 108 cases had their cases heard in a summary judgment; 183 suspects in 175 cases were granted a deferred prosecution; and 58 suspects in 58 cases were not indicted on ex officio grounds. In total, 210 people were convicted guilty by the court during this period, resulting in a conviction rate of 90.13%. In comparison with statistics from the same period of time last year (2017): the number of suspects indicted (including those applied to have their cases heard in a summary judgment) in 2017 stood at 272, while that in 2018 reached 242, resulting in a 11.03% year-on-year decrease. With regard to the number of suspects convicted, the figure stood at 277 in 2017, and 210 in 2018, representing a 24.19% year-on-year decrease.

Status of Adjudication of Taiwan District Courts on IPR infringement Cases

Categories	Year	Results of Court Rulings													
		Total	Sentence								Exemption	Not Guilty	Not Prosecutable	Case Declined	Others
			Subtotal	Under 6 Months	6-12 Months	1-2 Year(s)	2-3 Years	Over 3 Years	Detention	Fines					
Total	Jan-Mar 2018	185	129	37	-	1	-	-	80	11	-	22	-	34	-
	Jan-Mar 2017	381	275	73	1	2	-	-	186	13	1	20	2	83	-
	YoY %	-51.44	-53.09	-49.32	-100	-50	0	0	-56.99	-15.38	0	10	-100	-59.04	0

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

Unit: Person

IPR Awareness Campaigns

1. Customs Administration Information exchange meeting

- (1) From January 23 to 26, 2018, the Customs Administration held five lectures on the identification of counterfeit goods at the customs, at Taichung, Kaohsiung, Keelung, and Taipei, respectively. Representatives of rights-holder groups were invited to share their expertise and knowledge to customs officials about how to identify genuine and fake goods.
- (2) The Customs Administration held its first information event for the year in Keelung for customs brokers on March 21, 2018, to promote measures and laws regarding IPR protection at the border.

2. MOE IPR awareness campaigns

- (1) On January 18 and 19, 2018, the MOE held a meeting for presidents of colleges and universities in Taiwan, during which the Ministry particularly asked participating presidents of both public and private colleges and universities to step up their efforts to promote the Campus IPR Action Plan.
- (2) On March 2, 2018, the MOE sent an official notice to both public and private colleges and universities in Taiwan, asking students to use authorized textbooks (including authorized second-hand books) and refrain from infringing activities such as illegal photocopying, downloading, or uploading books and teaching materials. In addition, the notice also requested the education institutions to work harder in their promotion of the Guidelines on Intellectual Property Protection for Teachers, in the hope of fostering awareness of copyright among the teaching faculty.

3. IPR awareness campaigns by the MOC to protect cinematic works

To protect cinematic works against piracy and safeguard values created by the film industry, the Bureau of Audiovisual and Music Industry Development (BAMID) of the Ministry of Culture (MOC) has conducted a series of IPR awareness activities from November 27, 2017, to January 31, 2018. In the campaign, short-versions of films and comics were made to introduce the “Four Nos and One Yes” concept—the theme of the event, namely “Say no to piracy, uploading, downloading, and sharing materials; and yes, you have to pay for the contents you watch”—to internet users on digital platforms such as YouTube, Facebook, and Google. In the end, the video on YouTube has been watched for 286,176 times, that on Facebook watched for 87,600 times, and a total of 10,595 people have interacted with the “Four Nos and One Yes” post by the BAMID.

4. MOEA IPR awareness campaigns

(1) IPR promotional talks

To foster people’s awareness of intellectual property protection, TIPO’s IPR Protection Service Group has been giving promotional talks at the request of business and industrial circles, civil groups, and schools at all levels, on professional topics such as patents, trademarks, copyright, and trade secrets. Such talks are free of charge and consulting services are available on site. As of the end of March 2018, two promotional talks were held, with 150 people attending the events. According to a post-event survey, more than 80 percent of respondents believed that the talks have helped foster their awareness about copyright.

(2) Promotional videos played at public venues

From February 1 to 28, 2018, a 30-second video by TIPO to promote the must-knows copyright issues about livestreaming has been put in an intensive rotation on LCD billboards set up at 25 venues affiliated to the Executive Yuan. Some of the venues, where crowds usually gather, include the train stations of the Taiwan Railway Administration, the service areas of the Freeway Bureau, the Civil Aeronautics Administration, the Kuo-Kuang Motor Transport, hospitals under the Ministry of Health and Welfare, and the tourist center of the Port of Taichung of the Taiwan International Ports Cooperation.