



IPR LEGAL REGIME

A Sound Legal System is the Foundation for Innovation.

1. Patent Laws and Regulations
2. Trademark Laws and Regulations
3. Copyright Act
4. Optimizing the Remedial System for Patents and Trademarks

HIGHLIGHTS

- Revising the Regulations Governing the Determination of Patent Term Extension
- Promulgated Partial Amendments to the Trademark Act
- Promulgation of the amendment to the Standards for Compensation for Fair Use of Works in Paragraph 3 of Article 47 of the Copyright Act



IPR LEGAL REGIME

To establish a more comprehensive IPR protection regime, TIPO completed the legislative process for the trademark agent system in 2023, revising provisions and examination criteria related to patents and trademarks, and continued to promote legislative improvements to enhance the relief efficacy of patent and trademark cases. These efforts aim to construct a higher quality remedial system for patents and trademarks.

1. Patent Laws and Regulations

Enforcement Rules of the Patent Act

To improve patent examination efficiency, when a divisional application's description does not fully refer to the content of the original application, a marked-up version must be submitted. Additionally, for the deposit of biological materials at foreign depositories recognized by Taiwan, the certification must include viability test report. Amendments to Articles 17, 28, and 90 of the Enforcement Rules of the Patent Act were promulgated on March 24, 2023, and took effect on May 1, 2023.

Regulations Governing the Determination of Patent Term Extension

To simplify administrative procedures, applicants requesting to extend the patent term must provide documentation for the period of all domestic and/or international clinical trials verified by the Taiwan Food and Drug Administration as necessary for issuing a drug permit license, which directly serves as the standard for determining patent term extension. Amendments to Articles 4 and 10 of the Regulations Governing the Determination of Patent Term Extension were promulgated on June 28, 2023, and came into effect on July 1, 2023.

Substantive Examination Guidelines for Invention Patents

In accordance with the amendments to the Enforcement Rules of the Patent Act and the Regulations Governing the Determination of Patent Rights Extension, as well as the implementation of WIPO ST.26 XML sequence listing, TIPO has revised its patent examination guidelines. The changes affect Chapters 1, 3, 4, 5, 10, 11, 14 of Part II "Substantive Examination for Invention Patents," and Chapter 1 and 2 of Part V "Examination for Patent Invalidity." These revisions include updates to examination principles and precautions, and they took effect on July 1, 2023. Key amendments include:

(1) Part II Chapter 1 "Description, Claims, Abstract, and Drawings"

A new principle has been added regarding whether prior art cited in the description may be recognized as a citation.

(2) Part II Chapter 3 "Patentability Requirements"

The amendment specifies that if an applicant files a divisional application before decision of the original invention patent, and claims the "an invention patent and utility model patent of the same creation" approach, TIPO request confirmation from the applicant that only one invention can proceed as a continuation case before decision of either the original or the divisional application.

(3) Part II Chapter 5 "Priority"

The amendment specifies that, after claiming domestic priority in a subsequent application and before any decision is rendered, if the earlier application is less than 15 months old from its filing date, a divisional application can still be filed for the parts not covered by the domestic priority claim. The divisional application, however, cannot claim domestic priority.

(4) Part II Chapter 10 "Division and Conversion"

In accordance with Article 28, Paragraph 3 of the Enforcement Rules of the Patent Act, revised and enacted on May 2023, the guidelines have been updated to include additional explanations of formal requirements. This update also aligns with amendments to the Continuation of Patent Rights in Chapter 3, providing new details about the effects of filing a divisional application.

(5) Part II Chapter 11 "Extension of Patent Term"

The guidelines now clarify that pharmaceuticals approved under Article 14 of the Rare Disease and Orphan Drug Act are also subject to Article 53 of the Patent Act. Documentation for the period of all domestic and/or international clinical trials, required for drug permit license and confirmed by the Ministry of Health and Welfare, can be directly used by TIPO as a basis for decisions on extending patent terms.

(6) Part II Chapter 14 "Biological-related Inventions"

With the full implementation of the WIPO ST.26 standard for sequence listings in descriptions as of August 2022, the guidelines for recording sequence listings have been updated to comply with this new standard.

(7) Part V Chapter 1 "Invalidation of Patent Rights"

The guidelines have been expanded to address invalidation claims that include references to other claims, providing detailed explanations of the examination scope and the circumstances of the principle of "ne bis in idem" (not being judged twice for the same issue) applies.

(8) Part V Chapter 2 "Invalidation of Extension of Patent Term"

In alignment with the provisions on the extension of patent terms outlined in Chapter 11 of Part II, this amendment clarifies the scope of rights for pharmaceutical or agrichemical patents whose terms have been extended upon.

Operational Directions of Priority Document Exchange by Means of Electronic Communication between Taiwan Intellectual Property Office and Korean Intellectual Property Office

On June 30, 2023, amendments were promulgated for the Operational Directions of Priority Document Exchange by Means of Electronic Communication between Taiwan Intellectual Property Office and Korean Intellectual Property Office, extending the scope to include design patent applications, effective from July 1, 2023.

Relaxation of Chinese Translation Requirements for XML Sequence Lists

As of August 1, 2022, TIPO fully implemented the WIPO ST.26 standard, which required that details such as the applicant's name, invention title, inventor and 33 specific qualifiers must be expressed in Chinese. To ease the preparation of Chinese sequence lists and accelerate the application process for patents related to biological inventions, TIPO announced on April 25, 2023, a relaxation of these translation requirements. Now, only the invention name, applicant, and inventor need to be listed in Chinese. Concurrently, adjustments to the electronic application and review systems were made, and the verification system was opened to the industry, fostering a mutually beneficial situation.

2.Trademark Laws and Regulations

Draft Amendments to the Trademark Act

To align trademark laws with industry demands and examination practices, bolster the legal regime, and facilitate appropriate deregulation, TIPO has promulgated several amendments to the Trademark Act. The amendments were passed on May 9, 2023 and promulgated by the President on May 24, 2023. The effective date will be determined by the Executive Yuan. Key amendments include:

- (1) Establishing a registration and management system for trademark agents;
- (2) Introducing an accelerated examination mechanism;
- (3) Clarifying the qualifications for trademark registration applicants;
- (4) Defining the scope of rights for trademarks that include functional elements;
- (5) Clearly outlining the limitations of trademark rights, incorporating concepts of nominative fair use, bona fide prior use, and exhaustion of rights, in alignment with judicial practices.
- (6) Streamlining the procedures for determining trademark infringement at customs.

In conjunction with the enforcement of these amendments to the Trademark Act, revisions to the accompanying subsidiary legislation, including the Enforcement Rules of the Trademark Act, the Fee-charging Standards of Trademark and the Regulations Governing Trademark Agent Registration and Management, are scheduled to be completed in 2024 to ensure the smooth implementation of the new system.

Examination Guidelines on Disclaimers

The "Examination Guidelines on Disclaimers" and "Examples of Elements that No Disclaimer Is Required" were amended and published on May 31, 2023 and took effect on August 1, 2023. Key amendments include specifying factors to consider when determining if non-distinctive elements in a trademark could create ambiguity regarding the scope of trademark rights; clarifying situations in which disclaimers are not required; updating the principles for determining whether non-distinctive items such as numbers, slogans, idioms and buzzwords should be disclaimed, supplemented with illustrative examples; and stipulating that purely informational business items such as company names, domain names or descriptive symbols are not part of trademark.

3. Copyright Act

In response to the amendment of Article 47 of the Copyright Act, promulgated on June 15, 2022, concerning the fair use of copyrighted works for the preparation of textbooks as required by law, the “Standards for Compensation for Fair Use of Works in Paragraph 4 of Article 47 of the Copyright Act” were renamed to “Standards for Compensation for Fair Use of Works in Paragraph 3 of Article 47 of Copyright Act.” This amendment, effective from February 14, 2023, revises compensation standards in the interest of public welfare and educational purposes, aiming to appropriately enhance the remuneration of creators.

4. Optimizing the Remedial System for Patents and Trademarks

To enhance the remedial system for patents and trademarks, TIPO conducted an in-depth analysis of foreign legal systems and practices from 2019 to 2021. During this period, 130 research meetings were convened, and consultations were held with the Judicial Yuan and academic experts. Additionally, two draft legislation notifications and three public hearings in the northern, central, and southern regions of Taiwan were organized to gather public opinion.

In 2022, draft amendments to the Patent Act and Trademark Act were proposed and passed by the Executive Yuan on March 9, 2023, and subsequently passed the first reading in the Legislative Yuan on March 17, 2023. Due to the current legislative term ending without completing the review, these amendments are not pending further legislative continuation.