

# Quarterly Report

on Intellectual Property Rights Protection in Taiwan



Published in December, 2024

## **Contents**

Special Reports	2
Legal Amendments	3
Latest News	4
Law Enforcement Results and Statistics	12
International Exchange and Cooperation.	16
IPR Awareness Campaigns	<b>17</b>

### **Special Reports**

# Seminar on Practical Strategies for Addressing Copyright Issues in Generative AI Concludes with Enthusiastic Participation

On July 5, 2024, TIPO hosted the Seminar on Practical Strategies for Addressing Copyright Issues in Generative AI at the International Conference Hall of the NTU College of Law Tsai Lecture Hall. The seminar featured distinguished experts in copyright law and AI industry representatives, including Assistant Professor Chung-Hsin Chang, Copyright academic and expert; Attorney Wenchi Lai; Richard Tzong-Han Tsai, core model training coordinator with RLHF at the TAIDE project, National Science Council; Celeste Yang, Corporate Counsel at Microsoft Taiwan; Claire Lin, Regional Counsel at Google Taiwan; and Ernest Wong, Principal Digital Media Solutions Consultant at Adobe in Hong Kong and Taiwan. These six representatives engaged in in-depth discussions and shared insights on topics such as "Copyright Challenges and Developments in Generative AI" and "Responsible AI Practices and Applications in the Field of Copyright." The seminar attracted over 200 participants from industry, government, and academia, fostering lively interactions and enhancing mutual understanding across different sectors.

TIPO Director General Dr. Cheng-Wei Liao emphasized the significance of AI technology and the rapid development of generative AI, which presents new challenges. Balancing the protection of copyright holders' interests with AI industry growth is a matter of careful consideration globally. This seminar provided valuable industry strategies for addressing copyright issues posed by generative AI.

TIPO noted that intellectual property (patents, trademarks, and copyrights) is highly harmonized internationally, and the legal framework for AI and copyright involves board aspects. Understanding the impact of emerging technologies on industry practices is crucial for embracing the opportunities and facing the challenges brought by AI. TIPO will continue to monitor global developments to inform policy-making in Taiwan.

### **Legal Amendments**

# 1. TIPO Revises the Program for Hearing Patent Invalidation, Effective June 11, 2024

To provide diverse, swift, and professional channels for resolving patent disputes, TIPO has revised the Program for Hearing Patent Invalidation based on previous experiences and industry feedback. Revisions also reference the Administrative Procedure Act, and the revised procedure will serve as the basis for future case examinations. Key revisions include:

- (1) To comply with legal standards, the title has been amended to the "Operationa Directions on Hearings for Patent Invalidation Cases."
- (2) The function of preparatory hearings has been augmented to include formulating and simplifying the issues, clarifying the matters for amendment in the invalidation case, and establishing the key points of attack or defense for the hearing. Both parties are required to adhere to these agreements (Point #5).
- (3) The presiding officer may convey his or her legal opinions on factual, legal, or evidentiary issues to an extent appropriate on the case in due course (Point #8).
- (4) Hearings may now be conducted via remote video conferencing (Point #9).
- (5) The effects of absence from the hearing are clearly specified (Points #6 and #9).
- (6) Hearing records can be summarized with key points and supplemented by audio or video recordings for simplification (Point #12).
  - Operation Directions on Hearings for Patent Invalidation Cases (Mandarin): https://topic.tipo.gov.tw/patents-tw/dl-286808-eac7dcb4c3c34c9a9facd8c19d8af11b.html
- 2. TIPO Revises the Operation Directions on Hearings for Trademark Dispute Cases, Effective June 11, 2024

To provide a more professional and rigorous hearing system while considering the efficiency of relief processes, TIPO has revised the Operation Directions on Hearings for Trademark Dispute Cases based on the Administrative Procedure Act, Regulations Governing Court's Handling of Remote Interrogation in Intellectual Property Case, and other relevant laws. These revisions will serve as the basis for case examination. Key revisions include:

- (1) To strengthen the adjudicative functions of the hearing process, it is stipulated that trademark dispute cases undergoing hearings must be examined by a panel of at least three examiners (Point #3).
- (2) Provisions have been added to allow preparatory hearings based on the complexity of the cases (Point #5).
- (3) Hearings should conducted orally and publicly; however, if conducted in public would harm the public interest or cause significant damage to the parties, the grounds for requesting a non-public hearing are specified (Point #6).
- (4) It is specified that if the hearing date or location is changed, the hearing is canceled, or examiners are replaced, the notification and announcement procedures must be reenacted (Point #6).
- (5) The presiding officer may convey his or her legal opinions on factual, legal, and evidentiary issues to an extent appropriate on the case in due course (Point #8).
- (6) It is stipulated that hearings may be conducted via remote video conferencing, and the methods and legal effects of signing and sealing hearing records are specified (Points #9 and #12).

Operation Directions on Hearings for Trademark Dispute Cases (Mandarin): <a href="https://www.tipo.gov.tw/tw/cp-86-950617-bd467-1.html">https://www.tipo.gov.tw/tw/cp-86-950617-bd467-1.html</a>

3. TIPO's Revisions of the Patent Examination Guidelines Took Effect on July 1, 2024: Part II Chapter 1, 3, 11, 14 and Part V Chapter 1

TIPO has revised its examination guidelines for regulatory alignment, reflect changes in examination practices, unify interpretations, and improve examination quality. Revisions include additional examination principles and case examples, and apply to Part II "Substantive Examination for Invention Patents" (Chapter 1, 3, 11, and 14) and Part V "Examination of Invalidation" (Chapter 1). Revisions have been implemented since July 1, 2024, and key updates include:

- (1) In alignment with the revisions to Article 17, Paragraph 7 of the Enforcement Rules of the Patent Act regarding sequence listings and TIPO's implementation of the WIPO ST.26 standard, revisions have been made to Chapter 1, Section 1.3.1 of the substantive examination guidelines for invention patents (Enablement Requirement), as well as related content in Chapter 14.
- (2) Regarding the patentability, Section 2.6.4 on the criteria for determination of lack of novelty based on legal fiction has been updated with a new example (Example 1) that specifically illustrates how to determine the lack of novelty based on legal ficiton.

Revisions to the Patent Examination Guidelines (Mandarin):

https://www.tipo.gov.tw/tw/cp-85-962661-e1b69-1.html

#### **Latest News**

# 1. TIPO Announces New Measures for the Accelerated Examination Program for Re-examination of Invention Patents (AEPRe)

The "Accelerated Examination Program for Re-examination of Invention Patents (AEPRe)" was implemented starting September 1, 2024 on a trial basis. When requesting for re-examination, if an applicant amends or deletes claims rejected in the substantive examination and maintains other claims, TIPO may accelerate the re-examination, helping patent applicants secure patents faster.

There are two stages in the examination process for invention patents. If an application is rejected in the substantive examination stage, the applicant may request a re-examination. A re-examination invention case is eligible for the "Accelerated Examination Program for Re-examination of Invention Patents (AEPRe)" if it is amended by "deleting the rejected claims or by rewriting the non-rejected claims into independent claims," aligning the patent scope with the scope approved during substantive examination.

In 2023, TIPO re-examined 6,538 invention patent applications. The average pendency for first office action and disposal was 10.1 months and 13.1 months, respectively. The AEPRe soft launched on September 1, 2024 is open to online applications, simple, and easy. Applicants filing an AEPRe application will receive an office action or written decision on the re-examination within six months. Evaluations from TIPO also indicate that applicants should receive decisions within two to three months, allowing applicants to secure patents faster.

Accelerated Examination Program for Re-examination of Invention Patents (AEPRe) (Mandarin): https://www.tipo.gov.tw/tw/cp-85-977635-e7dc7-1.html

### 2. Accelerated Examination for Trademark Registration Applications

# Takes Effect, Benefitting Applicants in Need of Rapidly Obtaining Trademarks

On May 1, 2024, TIPO launched an accelerated examination for trademark registration applications specifically designed for applicants who urgently need to obtain trademark rights. Applicants must demonstrate the urgency and pay an additional fee for accelerated examination.

Generally, the first examination notice will be issued within two months after the application is filed. However, the effectiveness of the accelerated examination may be hampered if notifications for corrections or suspensions are issued during the examination process.

The accelerated examination mechanism is introduced in the latest amended Trademark Act, balancing the user-pays principle and avoiding delays in the examination of general applications. This mechanism provides a fast track to obtaining trademark registration, significantly improving the efficiency of trademark registration.

TIPO encourages applicants who are in urgent need of obtaining rights to make good use of the accelerated examination mechanism, which will help in trademark rights protection and commercial planning.

Operation Directions of Accelerated Examination Program for Trademark Registration Applications (Mandarin):

 $\underline{https://www.tipo.gov.tw/tw/dl-286805-943fbd8c1aef45ef99ce697adc904e83.html}\\$ 

# 3. TIPO Publishes the 2023 Compilation of Selected Court Decisions on Trade Secret Cases on Official Website for Public Reference

To promote public understanding of the development of trade secret judicial practices in Taiwan, TIPO has published the 2023 Compilation of Selected Court Decisions on Trade Secret Cases.

22 cases were selected by sifting through 67 civil and criminal decisions relat-

-ing to trade secrets in 2023, and then examined and categorized based on key issues: the three elements of trade secrets, trade secrets infringement, and trade secrets related rulings Court decisions were summarized, compiled, and have been published on TIPO's official website as of August 13, 2024 in the Trade Secrets section for public reference.

2023 Compilation of Selected Court Decisions on Trade Secret Cases(Mandarin): <a href="https://www.tipo.gov.tw/tw/cp-7-976337-4e186-1.html">https://www.tipo.gov.tw/tw/cp-7-976337-4e186-1.html</a>

# 4. The 2024.01 Edition of the International Patent Classification (IPC) Now Available on TIPO Website

The 2024.01 edition of the International Patent Classification (IPC) has been published on the TIPO website. For new applications filed on or after August 1, 2024 to TIPO, the updated IPC 2024.01 edition shall apply. As a result, the Patent Gazette will be published using the 2024.01 edition starting from August 1, 2024, and the Published Patent Application Gazette will adopt the new classification starting from October 16, 2024.

2024.01 Edition of the International Patent Classification (Mandarin):

 $\underline{https://topic.tipo.gov.tw/patents-tw/lp-718-101-xCat-202401.html}$ 

## 5. TIPO Releases Analysis of Taiwan's Green Trademark Industry – Now Available for the Public!

Following the 2023 publication of the Comparative Analysis of Taiwan's Green Trademark Industry in the Last Ten Years, TIPO has continued its research by incorporating the latest statistics to analyze the current state of Taiwan's green trademark industry. The newly completed Analysis of Taiwan's Green Trademark Industry offers insights for businesses on how to strategically position their green trademarks to address global climate change and net-zero emission strategies.

Referring to the European Union's definition of green trademarks, TIPO defines

"green trademarks" not by the "trademark reproduction" itself but by the designated goods and services contained in the trademark applications and their Nice Classification. The report examines the distribution of applications over the past decade in nine major categories: energy products, transportation, energy conservation, reuse/recycling, pollution control, waste management, agriculture, environmental awareness, and climate change. It also includes data on the number of applications, percentages, and trends in each category.

Over the past decade, green trademarks have accounted for approximately 14.49% of all trademark applications in Taiwan, demonstrating an increase from an average of 13.00% in the early period (2014-2016), 15.31% in the mid-term (2017-2020), to 14.64% in the later period (2021-2023). While there was a slight decline in the latter period compared to the mid-term, the long-term trend demonstrates a growing awareness of carbon reduction, low-carbon initiatives, and green energy within trademark applications. The top three categories are energy conservation, pollution control, and energy products, accounting for nearly 80% of all green trademark applications, highlighting the industry's focus in these three key areas.

The Analysis of Taiwan's Green Trademark Industry(Mandarin):

 $\underline{https://www.tipo.gov.tw/tw/dl-287265-0c139f011c024468b5b58799ac0a92e2.html}$ 

#### 6. Ministry of Education's TANet Report Portal

The Ministry of Education (MOE) has established a mechanism to report suspected copyright infringement on college and university campuses. Hyperlinks directing to copyright-infringing foreign textbook websites can be reported through the dedicated TANet (Taiwan Academic Network) portal (abuse@moe.edu.tw). Six cases of infringement were reported this quarter.

# 7. Implementation Overview of the Protection Act for the Traditional Intellectual Creations of Indigenous Peoples by the Council of Indigenous Peoples

Since the Protection Act for the Traditional Intellectual Creations of Indigenous Peoples came into effect in 2015, a total of 150 applications for exclusive rights have been submitted as of September 2024. Of these, 120 cases have been consolidated, with the following outcomes: 105 cases (88%) have undergone review, 13 cases (11%) were voluntarily withdrawn, 2 cases (1%) were rejected. Among the 105 cases reviewed, a breakdown of the outcomes are as follows: 95 cases (90%) were granted exclusive rights, 2 cases (2%) were returned for amendments and re-evaluation, 8 cases (8%) were denied approval.

To support this process, the council commissioned a law firm specializing in intellectual property and the protection of traditional intellectual creations of indigenous peoples to execute a legal services program. From July to September 2024, the program provided 23 legal consultations, focusing primarily on: licensing plans and cooperation details for traditional intellectual creations, modifications to traditional intellectual creations, legal remedies for infringement. Additionally, the program provided 4 legal opinions related to drafting authorization agreements or sending cease and desist letters to infringers. In this quarter, the council also helped indigenous people addressed 3 infringing cases, with 2 cases resolved through retroactive authorization, and 1 case still pending resolution.

### **Law Enforcement Results and Statistics**

### The National Police Agency of the Ministry of the Interior

#### Law Enforcement

Between July and September of 2024, a total of 275 cases involving 360 persons were investigated for violation of the Copyright Act, a total of 369 cases (478 persons) for violation of the Trademark Act, and 3 cases (5 persons) for violation of the Trade Secrets Act. A total of 647 cases involving 843 persons were investigated for various types of infringement. All the aforementioned persons were referred to the district prosecutor's offices for further investigation in accordance with the law.

#### Statistics for IP Infringement Cases by the National Police Agency, NPA

Unit: case/person

	Total		Trade	emark		Copyright	Trade Secrets		
Year	No. of No. of		No. of No. of		No. of No. of		No. of CDs	No. of	No. of
	Cases	Cases Suspects		Suspects	Cases	Suspects	Confiscated	Confiscated Cases	
2024	1,767	2 227							27
JanSep.	1,/0/	2,337	1,022	1,357	730	953	19	15	
2023									
JanSep.	2,705	3,627	1,533	1,980	1,154	1,621	27	18	26
Percentage									
Change %	-34.68%	-35.57%	-33.33%	-31.46%	-36.74%	-41.21%	-29.63%	-16.67%	3.85%

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

#### Taiwan High Prosecutors Office (THPO)

#### Law Enforcement

- 1. According to the data from all the prosecutors offices, a total of 329 suspects were involved in 288 concluded cases of IPR infringement between July and September, of which 144 persons involved in 109 cases were prosecuted according to regular procedures, 73 persons involved in 70 cases were granted summary judgment, 94 persons across 92 cases received deferred prosecution, and 18 persons across 17 cases were not prosecuted nor punished by the court's sua sponte motion. 194 persons were convicted by the courts between July and September, for a conviction rate of 95.10%.
- 2. A comparison to the same period in 2024 reveals the following regarding the number of prosecutions (including those who requested summary judgment) and convictions for cases of IPR infringement: 217 persons were prosecuted between July and September this year, marking a decrease of 62 persons (22.22%) compared to 279 persons in the same period in 2023; 194 persons were convicted between July and September, marking an decrease of 33 persons (14.54%) compared to 227 persons in the same period in 2023.

# Statistics for Final Court Decisions on IP Cases Brought by Various District Prosecutors Offices

單位: 人 Unit: Person

Categories	Year	Results of Court Rulings												
			Sentence							Ser		No		
		Total	Subtotal	Under 6  Months	6-12 Months	1-2 Year(s)	Over 2 Years	Detention	Fines	Sentence Remitted	Acquitted	Not to Prosecuted	Case Rejected	Others
Total	2024													
	JanSep.	727	572	189	4	9	1	345	24	0	31	2	121	1
	2023													
	JanSep.	898	696	241	4	1	0	421	29	1	52	6	142	1
	Percent Change	-19.04	-17.82	-21.58	0	800	-	-18.05	-17.24	-100	-40.38	-66.67	-14.79	0
	%	%	%	%	%	%		%	%	%	%	%	%	%

Source: Taiwan Prosecutors Office

#### **The Customs Administration**

#### **Law Enforcement Results**

- 1. The Customs Administration of the Ministry of Finance has implemented various border protection measures 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. From July to September, a total of 96 cases of trademark infringement related to exports were uncovered. A total of 43,863 infringing items were seized.
- 2. Between July and September, the Customs Administration received 68 requests for advice protection on trademark rights, 18 requests for extending

the terms for advice protection on trademark rights, and 52 requests for updating/supplementing documents and other matters, adding up to a total of 138 requests.

- 3. On August 2, Keelung Customs intercepted 17 counterfeit ROLEX watches imported via maritime shipping. The goods involved have been seized.
- 4. On August 7, Taipei Customs seized 100 counterfeit AirPods Pro units imported via air courier. The goods involved have been confiscated.
- 5. On August 14, Kaohsiung authorities intercepted 426 cartons of counterfeit 555 and Marlboro cigarettes imported via maritime shipping. All goods involved have been seized.

#### Ministry of Justice Investigation Bureau

#### Law Enforcement

In Q3, the Investigation Bureau referred a total of 13 cases (22 persons) of IP violations to district prosecutors offices for further investigation, including 3 cases involving 8 persons for violation of the Copyright Act, 8 cases (10 persons) for violation of the Trademark Act, and 2 cases (4 persons) for the Trade Secrets Act.

### **International Exchange and Cooperation**

#### **The Customs Administration**

The Customs Administration continues to exchange and report counterfeit-related intelligence with customs authorities worldwide. In Q3, Taiwan reported a total of two cases of international counterfeit intelligence.

### **IPR** Awareness Campaigns

#### 1. Judicial Yuan

In the third quarter, the Judicial Yuan organized in-service training for IP and Commercial Court judges, as well as for judicial associate officers, technical examination officers, and law clerks. These programs aimed to enhance their professional expertise, ensuring that litigation and adjudication align with the rapidly evolving developments in the field of intellectual property and the latest changes in legal regulations and international practices.

#### 2. Ministry of Justice

- (1) From July 30 to August 2, the Ministry of Justice, in collaboration with the Academy for the Judiciary and the Kaohsiung District Prosecutors Office, organized the 2024 Advanced Training and Certification Program on the Trade Secrets Act for Judicial Personnel at the Kaohsiung District Court. A total of 20 participants, including (chief) prosecutors and prosecutor investigators, attended the program and successfully passed the certification examination. The Ministry of Justice subsequently awarded professional certification in the Trade Secrets Act to all participants.
- (2) The Investigation Bureau of the Ministry of Justice has incorporated trade secret violations into its anti-corruption efforts targeting businesses. From July to September, the Bureau conducted a total of 45 awareness sessions across industrial parks, major business associations, and corporate groups. Using real-life cases, these sessions emphasized the importance of protecting trade secrets. The events were attended by representatives from 171 companies, with a total of 5,245 participants.

#### 3. The Customs Administration

To better inform relevant industries about intellectual property rights (IPR) border measures and related regulations, the Ministry of Finance's Customs Administration, Taichung Customs, conducted industry interviews on July 4, 5, 10, and 29, as well as on

August 20, September 19, and 26.

Additionally, from September 3 to 6, four sessions of the Customs IP Border Measures Seminar were held at Keelung Customs, Taipei Customs, Taichung Customs, and Kaohsiung Customs. These seminars aimed to enhance customs officers' professional knowledge and expertise in handling IPR border protection.

#### 4. Ministry of Foreign Affairs

The Ministry of Foreign Affairs published the following report on Taiwan's development of character IPs on the New Southbound Policy Portal:

Taiwanese Character IP on the World Stage:

https://www.taiwan-panorama.com/en/Articles/Details?Guid=49e02714-7833-4ad0-ae6f-78634d1dc697

#### 5. Council of Indigenous Peoples

On July 8, the Council of Indigenous Peoples participated in a discussion meeting hosted by the Organic Laws and Statutes Bureau of the Legislative Yuan on the initial draft of the special research report titled "Legal Conflicts Between the Cultural Heritage Preservation Act and the Protection Act for the Traditional Intellectual Creations of Indigenous Peoples."

During the meeting, participants discussed the legislative purposes, objects of protection, and interrelations of the Cultural Heritage Preservation Act and the Protection Act for the Traditional Intellectual Creations of Indigenous Peoples. Additionally, the session included an introduction to relevant U.S. legal frameworks, as well as an in-depth analysis of the conflicts between the two acts, accompanied by recommendations. The meeting aimed to continuously gather insights from experts and scholars to serve as a foundation for interpreting the applicability of related provisions and guiding potential amendments to the regulations related to traditional intellectual creations protection.

### 6. Ministry of Education

- (1) In August, the Ministry of Education (MOE) issued an official letter to universities across Taiwan, urging them to strengthen campus awareness of intellectual property rights. The letter emphasized guiding and reminding students to use legitimate textbooks, including second-hand ones, and to refrain from unauthorized actions such as scanning, photocopying, downloading, or uploading books and teaching materials, to avoid infringing on others' copyrights. On the same occasion, the MOE also encouraged public and private universities to utilize the pamphlet on copyrights for college professors to promote a better understanding of copyright compliance among faculty members.
- (2) A national conference for academic affair administrators of technical and vocational colleges was convened on September 19. During the meeting, schools were urged to continue implementing Campus IPR Protection Action Plan and to strengthen IPR education and awareness among faculty and students, ensuring effective execution of campus IPR protection efforts.

#### 7. TIPO

During this quarter, the TIPO conducted various outreach activities, including the IPR Expert Service Group Seminar, promotional briefings, copyright-themed workshops, and online copyright advocacy efforts. These activities attracted a total of 2,444 participants, while the number of online followers reached 57,000.

On July 30, TIPO issued a notice to all government agencies nationwide, urging them to actively promote and remind their respective units to use licensed software.