



## **TIPLO News**

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*This news mail distributed in Japanese and English from time to time provides updates on the development of law in Taiwan with focus on intellectual property rights law. For more information about the status of intellectual property right protection and practice in Taiwan, please visit our website [www.tiplo.com.tw](http://www.tiplo.com.tw)*

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## E220907Y1

### 01 Trend comparison between invention patent applications of Taiwan and WIPO PCT applications in 2021

Taiwan IPO had received a total of 49,116 invention patent applications throughout 2021, a new height since 2014, while an estimated 277,500 international patent applications (namely, PCT applications) had been filed under WIPO's Patent Cooperation Treaty (PCT), which attains an all-time high ever. Among the invention patent applications filed at Taiwan IPO, the field of semiconductors had the most applications, namely 6,360 applications, followed by the field of computer technology with 4,283 applications. In contrast, in terms of the PCT applications filed at WIPO, the field of semiconductors ranked 10<sup>th</sup> with 8,346 applications, while computer technology is the top technology field with a total of 26,092 applications. Such a contrast reveals that in Taiwan, technological superiority lies in the field of semiconductors. As to applicants, TSMC occupied the first spot to be the top applicant that filed the most invention patent applications in Taiwan, while Huawei took the first spot in WIPO PCT applications. Moreover, Qualcomm and Samsung Electronics were named the top 10 applicants both in Taiwan and WIPO PCT applications.

#### 1. Number of invention patent applications bounced in Taiwan while the growth of WIPO PCT applications slowed down

The burst of the COVID-19 pandemic prompted a plunge in non-resident filings and further led to the decline in the overall invention patent filings in Taiwan in 2020. In 2021, the overall invention patent filings rebounded to attain an increase of 5.3%. On the other hand, WIPO PCT applications still grew by 3.6% in 2020 as a result of the tremendous growth of the applications originating from China. However, the number of WIPO PCT applications experienced a fall in March 2021 and from September to the year end, which resulted in a modest yearly growth of 0.9% for 2021.

#### 2. Residents' invention patent applications mostly came from the six major municipalities with Taipei City, New Taipei City, and Hsinchu City accounting for 56% of invention applications.

Resident applicants from the six major municipalities and Hsinchu County/City filed a majority of the invention patent applications in Taiwan to have a 93.5% share in 2021, among which, the applications from Taipei City, New Taipei City, and Hsinchu City combined accounted for 56.3% of all applications filed in 2021, up by 6.2% compared to 2017. In terms of number of applications, Hsinchu City took the lead with 4,711 applications, outnumbering Taipei City with 3,282 applications and New Taipei City with 3,007 applications. As to the annual growth rate, Hsinchu City reported the biggest increase of 23.3%, ahead Hsinchu County with an annual growth rate of 7.9% and New Taipei City growing by 1.6%.

#### 3. The top technical field in Taiwan's invention patent applications and in WIPO PCT applications each was semiconductor and computer technology, respectively.

In 2021, the field of semiconductors took the top spot in the invention patent applications in Taiwan with 6,360 applications, apparently up by 19.6%, while computer technology topped the ranking of technology fields in WIPO PCT applications with 26,092 PCT applications, marking a 7.2% growth. The top 10 technology fields of Taiwan's invention patent applications and WIPO PCT applications both include the fields of semiconductors, computer technology, electrical machinery, audio-visual technology, measurement, and pharmaceuticals.

The comparison also found that semiconductors, as the top technology field of Taiwan's invention patent applications accounted for 12.9% of invention applications in Taiwan, ranked 10<sup>th</sup> and took up only 3.2% of WIPO PCT applications. Such a fact indicates that Taiwan has attained its technological superiority in the field of semiconductor. It is noticeable that the technology fields of digital communication and medical technology among the top three fields in WIPO PCT applications did not even break into the top ten technology fields of Taiwan's invention patent applications.

4. Medicine-related technology fields grew both in Taiwan and in WIPO PCT applications with the field of "pharmaceuticals" seeing the most tremendous growth in 2021

In the invention patent applications of Taiwan, the technology field of "pharmaceuticals" made the top 10 with 1,616 applications in 2021, up by 26.3%. The growth also occurred in the field of "biotechnology", up by 19.1%. The field of "medical technology" remained stable subsequent to a surge in 2020. As to WIPO PCT applications, the field of "pharmaceuticals" leaped by 12.8%, surpassing the field of "biotechnology" (+9.5%) and "medical technology" (+6.0%). Besides, the field of "pharmaceuticals" saw the highest growth rate among the top 10 technology fields both in Taiwan's invention patent applications and in WIPO PCT applications.

5. Some top filing countries (regions) whose filings were mostly for "semiconductors", "computer technology", and "organic fine chemistry" in Taiwan primarily filed WIPO PCT applications in "computer technology", "digital communication", and "electrical machinery, apparatus, energy".

Among the top filing countries (regions) of the invention patent applications received by Taiwan IPO, Taiwan, Japan, the U.S., and South Korea had filed the most applications for patents related to semiconductors with a share of 12%~18.3%. China and Germany filed their most applications for patents related to "computer technology" (with a share of 13.9%) and "organic fine chemistry" (with a share of 11.6%), respectively, and the top three technology fields of the two nations' applications did not include the field of semiconductors.

As to the top filing countries (regions) of the WIPO PTC applications, there were more applications from China (with a share of 15.6%) and the U.S. (with a share of 12.4%) filed for patents related to computer technology, while those from South Korea were intensively filed for "digital communication" (with a share of 11.5%). Japan and Germany filed WIPO PCT applications primarily for patents related to "electrical machinery, apparatus, energy" (with a share of 10%~11%). It is noticeable that the aforesaid countries' (regions') top three technology fields did not include semiconductors.

6. TSMC claimed the top honor as the top applicant of invention patent applications in Taiwan, while Huawei was the top filer of WIPO PCT applications

Throughout 2021, TSMC led in the number of invention patent applications in Taiwan by filing 1,950 applications, followed by Qualcomm (which filed 845 applications), Applied Materials (which filed 758 applications). Industrial Technology Research Institute finished 10<sup>th</sup> as the only research institute among the top 10 filers by filing 392 applications. On the other hand, the top 10 WIPO PCT applicants were all businesses, headed by Huawei, which filed a total of 6,952 WIPO PCT applications to outnumber Qualcomm (which filed 3,931 applications) and Samsung Electronics (which filed 3,041 applications). Besides, Qualcomm and Samsung Electronics also earned their spots on the top 10 ranking for the invention patent applications of Taiwan.

7. Seven out of the top 10 filers for Taiwan's invention patent applications were in the field of semiconductors, while most of the top 10 WIPO PCT filers had the greatest shares in digital communication.

Seven of the top 10 applicants in Taiwan are among the top 10 applicants in semiconductors, which are TSMC, Qualcomm, Applied Materials, Samsung Electronics, Tokyo Electron, AU Optronics, and Kioxia. Besides, TSMC, Applied Materials, ASML, AU Optronics also topped the applicants ranking in the field of "computer technology", "electrical machinery, apparatus, energy", "optics", and "audio-visual technology", respectively.

As to the top 10 WIPO PCT applicants, six of them filed most applications in digital communication, and they are Telefonaktiebolaget LM Ericsson, Huawei, Guang Dong OPPO Mobile, LG Electronics, Qualcomm, and Samsung Electronics. On the other hand, Mitsubishi Electric had filed most of its applications for patents related to "thermal processes and apparatus", and BOE Technology filed intensively for patents related to semiconductors. Panasonic Intellectual Property Management filed mainly for patents related to electrical machinery, apparatus, energy and Sony filed most in computer technology. For more detailed information, please visit Taiwan IPO's website. <https://www.tipo.gov.tw/tw/cp-174-219414-a1c98-1.html>. (Released 2022.09.07)

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**E220916Y2**

## **02 Grand Cosmos Resort lost the trademark battle to Spring City Resort**

Grand Cosmos Resort Ruisui, Hualien Co., Ltd. (hereinafter referred to as "Grand Cosmos Resort") had successfully registered the mark, "瑞穗春天國際 GRAND COSMOS SPA and device" as a trademark with the Taiwan IPO (hereinafter referred to as "Grand Cosmos Resort's mark"). Spring City Resort Co., Ltd. (hereinafter referred to as "Spring City Resort") requested invalidation of the registration of Grand Cosmos Resort's mark and the Taiwan IPO examined Spring City Resort's request and had the registration invalidated accordingly. Thus, Grand Cosmos Resort filed an administrative appeal but its administrative appeal was unsuccessful, and it further instituted an administrative action with the Intellectual Property and Commercial Court (the IPC Court) but received a judgment unfavorable to it. Grand Cosmos Resort appealed this case to the Supreme Administrative Court, and the appeal was also dismissed.

According to the IPC Court judgment, both Grand Cosmos Resort's mark and Spring City Resort's mark contain the two Chinese characters "春天" (meaning "spring"). In Grand Cosmos Resort's mark, the constituents that make difference from Spring City Resort's mark are simply descriptive and illustrative words and can hardly be regarded as a distinctive part for consumers' recognition. The constituents are the two Chinese characters "瑞穗", which refers to Ruisui Township of Hualien County and describes the location where services are provided, the other two Chinese characters "國際", which generally mean that Grand Cosmos Resort is a multinational enterprise with international business, and also the word "spa", which points out the type of business. However, the major distinctive part of Grand Cosmos Resort's mark is the two Chinese characters, "春天", which is identical to Spring City Resort's mark. With the two Chinese characters "春天" in it, Grand Cosmos Resort's mark as a whole would cause the impression, concept, and pronunciation similar to Spring City Resort's mark. Moreover, if Grand Cosmos Resort's mark is used for the goods or services identical or similar to the designated

goods or services of Spring City Resort's mark, Grand Cosmos Resort's mark may still cause the consumers who possess general knowledge and experiences and exercise ordinary extent of attention at the time of purchase to mistakenly see the goods or services under Grand Cosmos Resort's mark as those from the same source with the goods or services provided under Spring City Resort's mark or relating to Spring City Resort's mark. In view of the foregoing, Grand Cosmos Resort's mark and Spring City Resort's mark should be considered similar to each other.

Besides, the designated services of Grand Cosmos Resort's mark and Spring City Resort's mark both satisfy the identical or similar needs of consumers; that is to say, the designated services of the two marks are identical or highly similar to each other. In addition, even though the two Chinese characters, “春天”, in Spring City Resort's mark are commonly-seen in Chinese language, the two Chinese characters are not directly relating to the designated services of beauty, hair, spa, and massage represented by Spring City Resort's mark, and is sufficient enough to make consumers recognize the two Chinese characters, “春天”, as a symbol that signifies and represents the source of services and differentiates the services when it is used in Spring City Resort's mark. Therefore, Spring City Resort's mark possesses distinctiveness.

Established since 1975, Spring City Resort has been engaged in the business of hotel, restaurant, and bathhouse services, for which businesses Spring City Resort has been successfully registered trademarks in Chinese, including “春天” and “春天酒店” etc. and designated these trademarks for use in the services of restaurant, hotels, cosmetology and hairdressing, sauna, and massage since 1997. Compared to Grand Cosmos Resort's registration application for Grand Cosmos Resort's mark on July 17, 2014, Spring City Resort had already used Spring City Resort's mark for its services of restaurant, accommodation, and hot spring bathing pool. Spring City Resort's two Chinese characters mark, “春天” becomes well known to people after Spring City Resort's business operation in Beitou, Taipei City. As compared to Spring City Resort's “春天” mark, the geographical name of “瑞穗” of Grand Cosmos Resort's mark is followed by the two Chinese characters “春天”, and such a combination may cause relevant consumers to mistakenly believe that the two marks represent the same or related sources, and thus, is likely to cause confusion.

The Supreme Administrative Court held that the IPC did not err in its judgment and thus dismissed Grand Cosmos Resort's appeal. (Released 2022.09.16)

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## **E220905Y2**

### **03 Taiwan National University sued local cram school for use of “台大” mark**

Taiwan's most prestigious university, National Taiwan University (hereinafter referred to as “NTU”) has filed a lawsuit against a local private education institute, Taida Education Institute (hereinafter referred to as the “education institute”) for the education institute's infringement upon NTU's registered trademarks, including the two Chinese character mark, “台大”, the “台大 TAIDA” mark, and the “TAIDA” mark in English by using the two Chinese characters, “台大” as its name and for use on signboards for many years. NTU has filed the lawsuit with the Taiwan IPC Court to seek compensation from the education institute. The IPC Court ruled against the education institute in the first instance proceedings.

NTU pointed out that it has begun to register its trademarks since 1983, which include its school badge, the two Chinese character marks, “台大” and “臺大”, and the

“TAIDA” mark in English, “台大 TAIDA”, and the full name of NTU in Mandarin, “國立臺灣大學” (reading “*guo li tai wan da xue*” in Mandarin), and Taiwan IPO has recognized these registered trademarks as well-known ones in Taiwan. To stop the education institute’s use of the “台大” mark, NTU issued C&D letters to the education institute and Ming Ming Education Inc. on March 30, 2020 and June 2, 2020 to request for cease in using the “台大” mark. However, the two institutes ignored NTU’s request and continued their use, which ultimately caused NTU to file a trademark infringement lawsuit.

The education institute explained that its registration as a private education institute has been approved by the Department of Education, Taipei City Government since 1972, and it has used the English word, “Taida” on T-shirts since 2008, which is earlier than NTU’s trademark application. In this regard, the education institute asserted its bona fide prior use that involves no trademark infringement.

The Taiwan IPC court examined this lawsuit and entered a judgment against the education institute in the first instance proceedings, negating the bona fide prior use asserted by the education institute, sustaining the education institute’s infringement, and further ordering the education institute to pay TWD6.23 million and interest to NTU. As ordered by the judgment, the education institute shall never use any words or marks identical or similar to NTU’s “台大” mark in Mandarin as its name or for use on signboards. This judgment is appealable. (Released 2022.09.05)

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