



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

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01 Executive Yuan, Taiwan gives green light to the amendments to Trademark Act and Patent Act

According to the Taiwan IPO's press release, the Executive Yuan of Taiwan passed the amendments to the Patent Act and the Trademark Act of Taiwan in Executive Yuan meeting No. 3846 on March 9, 2023 to answer to the suggestions from the industry and to keep pace with the international practices.

The two amendments establish a new patent/trademark remedial mechanism that offers expeditious and professional services and set up a system for managing trademark agents, which will save time and cost in patent/trademark remedial cases and facilitate early resolution of disputes. Moreover, the trademark agency management proposed in the amendment will ensure trademark applicants' rights and step up industrial development and ultimately build an IPR protection mechanism more in line with the demands from the industry.

1. Key points of the amendments to Patent Act and Trademark Act with respect to the reconstruction of patent/trademark remedy system:

(1) Introduction of Reexamination and Dispute Deliberation Board

By reference to the patent and trademark remedial practices adopted by the counterpart offices of other countries, Taiwan IPO will set up the "Reexamination and Dispute Deliberation Board" (hereinafter the "R&DD Board") as an independent agency to exclusively examine and consider patent and trademark cases with relevant supportive regulations being established as basis.

(2) Restructuring of professional and efficient examination procedure

In order to strengthen procedural protection and to enhance efficiency, the deliberation of reexamination and dispute cases will be conducted jointly by three or five examiners in the R&DD Board with the oral arguments and preliminary procedure being introduced in the system. Also, examiners may disclose their opinions in an appropriate manner and give a notice of deliberation conclusion during the deliberation procedure for establishing a more discreet procedure of administrative deliberation.

(3) Abolishment of current administrative appeal procedure

Under the amendments, the party dissatisfied with the decision made by the R&DD Board through rigorous and discreet deliberation may directly initiate a civil action without going through the administrative appeal procedure for seeking remedial efficiency.

(4) Establishment of special litigation system for reexamination cases and dispute cases

The amendments provide clarification that the process in which the R&DD Board makes decisions on disputes is an administrative one for resolution of disputes over private rights, and in this regard, a party that disputes over patent/trademark rights should file a lawsuit for such a dispute against the other party as the defendant, and such a lawsuit should be subject to civil instead of administrative proceedings. Likewise, a party finding the R&DD Board's decision on reexamination case unjustifiable should file a civil lawsuit. For avoiding the complexity of remedy system

and difference in decisions, civil rather than administrative litigation proceedings will be adopted with the Supreme Court as the court of last resort.

(5) Mandatory legal representation by attorneys-at-law or patent attorneys

In view of the technical expertise and legal specialty heavily required in lawsuits concerning patent dispute and for matching up the amendments to the Intellectual Property Case Adjudication Act and also for protecting the interested parties' rights and enhancing trial efficiency, the amendments require mandatory legal representation by attorneys-at-law or patent attorneys in lawsuits involving patent dispute and also the mandatory legal representation by attorneys-at-law in the lawsuits concerning patent or trademark disputes or in the appellate proceedings of the lawsuits involving reexamination.

(6) Extension of priority period to 12 months for design patents

Under the amendment, the grace period for design patents which is 6 months currently will be extended to 12 months to keep pace with international standards and to facilitate the development of design industry.

(7) Repeal of trademark opposition proceedings

Under the current trademark opposition mechanism, 97% of the opposition cases were filed on the relative grounds for refusal of registration and such relative grounds are mostly the same with the actionable grounds for invalidation which is currently and statutorily available to an interested party, and that brings out a fact that the function of the opposition and invalidation mechanism is almost the same. Hence, the amendment repeals the opposition proceedings. Also, under the amendment, "anyone" may cite absolute grounds for refusal of registration to file an invalidation action. Moreover, the amendments allow the third-party submissions during examination.

2. Key points of the amendments to Trademark Act with respect to management and regulation of trademark agents:

(1) The amendment introduces the accelerated examination mechanism to answer to the urgent demand for grant of trademark rights.

(2) For setting up the complete qualifications and requirements for trademark agents, the amendment authorizes the trademark registry to perform the registration and administration of trademark agents and to establish relevant regulations for administration so as to protect trademark applicants' rights and interests.

(3) The amendment sets forth the scope of eligible trademark applicants and simplifies the procedures of trademark registration revocation and infringement identification at the customs, so as to relax relevant regulations.

(Released 2023.03.09)

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02 Taiwan IPO releases statistics of top 100 patent applicants and grants for 2022

Taiwan IPO released the statistical rankings for patent applications filed and patent grants in 2022. Among the overall applications filed for all three kinds of patents, TSMC still headed the list by filing 1,534 applications in 2022 as the top domestic

applicant, clinging to the top spot for seven consecutive years, while Applied Materials won the crown with 881 applications filed in Taiwan to be the top foreign applicant for the first time. As to the number of patents granted for all three patent types, TSMC and Qualcomm each took the lead on the list of patent grants to domestic and foreign applicants with 1,196 grants and 573 grants, respectively.

Statistics of patent applications and rankings of the top 100 applicants are summarized as follows.

1. TSMC still grabs the top ranking as the most prolific domestic applicant for seven consecutive years, while the overall applications filed for all three kinds of patents have been climbing for the 5th year in a row.

Companies active in the semiconductor, display, and ICT industry sectors made the list of top 10 domestic applicants, among which TSMC has held on to the first spot with 1,534 applications since 2016, ahead of Acer, which had filed 530 applications, and AU Optronics, which had filed 505 applications. Mediatek reached its record high to 412 applications with a 58% surge for the past three years. Likewise, Nanya Tech and Innolux each also set their respective records for the past ten years by filing 371 applications and 336 applications, respectively.

The statistics shows that there had been a total of 12,771 applications filed for three types of patents by the top 100 domestic applicants throughout 2022, which marks a year-on-year increase of 4%. The rise of filings by corporations and educational institutes led to a growth of 4% and 14% in the number of applications for invention patent applications (9,555 cases) and design patent applications (793 cases). Besides, the filings of utility model patent applications filed by corporations and research institutes also increased by 3% (2,423 cases).

2. Taiwan Cooperative Bank surpassed other local banks to take the lead in overall patent applications, while MEGA International Commercial Bank filed the most applications for invention patents

There were six local banks appearing on the top 100 applicants list, among which Taiwan Cooperative Bank grabbed the top spot with 220 patent applications, trailed by the Bank of Taiwan with 214 applications and MEGA International Commercial Bank, which finished the 3rd by filing 205 applications and led the pack by filing the most invention patent applications (53 cases). Besides, Taishin International Bank won a place on the list for the first time with 87 applications.

3. Taipei City University of Science & Technology outnumbered other local universities and schools in the number of overall patent applications, and National Cheng Kung University filed the most invention patent applications

Twenty-eight schools were named the top 100 domestic applicants for overall patents with Taipei City University of Science and Technology ranking 1st for three consecutive years by filing a total of 162 applications. A breakdown by the number of invention patent applications filed by schools shows that National Cheng Kung University contributed most of the invention patent applications filed by schools and colleges by filing 135 applications for invention patents, ahead of National Yang Ming Chiao Tung University with 125 filings, National Tsing Hua University with 108 filings, and National Taiwan University with 77 filings.

4. Industrial Technology Research Institute stayed firmly at the 1st place for overall patent applications filed by research institutions

There were two research institutions recognized as the top 100 domestic applicants for patents of any types. The Industrial Technology Research Institute, which finished 8th in the overall rankings, outshined other research institutions by filing 331 applications and was followed by the Metal Industries Research that filed 87 applications at the 41st position.

5. The numbers of overall patent applications filed by foreign applicants grows for three straight years and Applied Materials is named the top foreign applicant for the first time.

Most of the overall patent applications filed by the top 10 foreign applicants were for the semiconductor, ICT, and chemistry industry sectors. Applied Materials ranked the first for the first time by filing 881 applications, marking its own record high for the past ten years, heading Qualcomm at the second place with 763 applications and Samsung rose to the third spot with 675 applications. Samsung also reached its record high for the past ten years. In addition, Meta Platforms Technologies and Shin-Etsu Chemical got an entry in the list of top 10 applicants for the first time with 293 applications and 275 applications, respectively.

To sum up, the top 100 foreign patent applicants had collectively filed a total of 14,556 applications for three kinds of patents throughout 2022, which represents a 3% rise attributable to the 6% growth in the invention patent applications accounting for 90% of the overall applications in 13,069 cases. Likewise, the similar growth occurred also to the utility model patent applications by 22% in 181 applications. (Released 2023.02.10)

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03 TIPO releases statistics of trademark and patent applications in 2022

Taiwan IPO had received a total of 72,059 applications for three kinds of patents in 2022 with a slight decrease by 0.8%. Among the overall applications, those filed for invention patents rose by 2% to 50,242 cases to mark a record high in the past ten years, while the applications for both utility model and design patents declined by 7% to 14,662 and 7,155 cases, respectively. On the other hand, there had been a total of 94,778 trademark applications filed with Taiwan IPO, covering a total of 122,320 classes in 2022. As to examination efficiency, the average first office action pendency was 8.8 months for invention patent applications, and 5.2 months for trademark applications, which are reasonable pendency periods.

1. Number of invention patent applications filed by resident applicants remained stable

There were a total of 19,400 applications filed for invention patent by resident applicants, a slight drop by 0.8% mainly attributable to the decrease in the filings by individual applicants and by research institute applicants. On the contrary, invention patent applications filed by corporations and educational institutes grew by 1% and 7%, respectively. Meanwhile, the number of utility model patent applications went downward by 6% to 13,669 cases, and design patent applications also experienced a drop by 3% to 3,411 cases, mainly as a result of a shrink in the number of the filings by individuals and corporations, while such a decline was a moderate one compared to that of 2021.

2. Non-resident applications for invention patents increased and Japan holding onto the 1st position

Non-resident applications for invention patents climbed by 4% to 30,842 cases, and the applications for utility model and design patents totaled 993 cases and 3,744 cases, respectively, seeing a decrease in the number of applications.

Among the top five filing countries of non-resident applications, Japan sat comfortably at the first position by filing 13,128 applications for three kinds of patents, down by 1%, staying ahead of the U.S. with 8,517 filings and China with 4,424 filings, which marks the two countries' respective growth by 7% and 4%. Among the top five filing countries, South Korea saw the highest rise by 16% by filing a total of 2,775 applications. Also, a breakdown by the patent types shows that Japan also took the lead in the number of invention and design patent applications, while China outnumbered other countries in utility model applications.

3. Overall trademark applications remained constant and resident applications grew

The overall trademark applications totaled 94,778 cases covering 122,320 classes as the second highest count of applications in the past two decades to trail only the records set in 2021 that included 95,917 applications covering 123,217 classes. Among the overall 94,778 trademark applications, resident applicants contributed 74,326 of them to result in 1% growth, while non-resident applications took up 20,452 to see a 9% drop.

China was the top filing country that filed the most non-resident applications with 4,324 filings to precede the U.S. ranking No. 2 with 3,572 filings and Hong Kong ranking No. 5 with 1,120 filings and Japan ranking No. 3 with 3,546 filings. China, the U.S., and Hong Kong saw their respective fall in the number of applications filed with Taiwan IPO, while Japan had a 3% rise.

4. Uni-President maintained its position as the top resident applicant for three years in a row, while IPPLUS Technology surpasses other non-resident applicants

Among resident corporate applicants, Uni-President headed the list with 834 applications for the 3rd straight year since 2020, followed by Wowprime, which filed 189 applications and King Car Food, which filed 163 applications. As to non-resident corporate applicants, IPPLUS Technology took the top spot with 150 applications, preceding Tencent Holdings, whose applications were 94 cases, and also Johnson & Johnson, whose applications were also 94 cases.

The statistics shows that most of resident applicants' trademark applications were filed for registration under Class 35 (advertisements and business operation) in 15,220 cases, outnumbering those filed for registration under Class 30 (coffee, tea, pastries) in 7,308 cases, and those under Class 43 (restaurants and lodgings) in 7,206 cases. It is noticeable that the COVID-19 pandemic generates a leap in the number of applications filed for registration of goods or services in the types of online shopping, remote technology, and video games that are categorized under Class 41 (education and entertainment) by a growth rate of 7.5% and Class 9 (computer and technology) by a growth rate of 2%, respectively.

On the other hand, most of non-resident applications were filed for registration under Class 9 (computer and technology) in 4,493 cases. The numbers of applications filed under the top five classes all fell by 2%~21%, except for that of Class 42 (scientific and technological services).

5. Disposal pendency for patent and trademark applications remains stable and reasonable to be in support of businesses' portfolio development

Taiwan IPO has been going full on to optimize the examination quality and efficiency, and thus, the average disposal pendency is kept at 14.3 months for invention patent applications and 6.5 months for trademark applications, which will ultimately help businesses obtain their patent or trademark rights and develop their portfolios. (Released 2023.02.10)

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04 MOEA delegation embarks on a trip to the U.S. to successfully draw TWD3 billion investment in Taiwan

The Ministry of Economic Affairs (MOEA) held a press conference for “Achievements in the United States and Startup Signing Ceremony” in San Jose, California on February 23, 2023. At the press conference, MOEA announced that two international leading tech companies, Lam Research and Cadence, will increase R&D investment in Taiwan to an estimated amount as much as TWD3 billion.

To intensify Taiwan-U.S. R&D cooperation, the Department of Industrial Technology delegation visited Lam Research, the world’s largest supplier of etching process equipment used in the semiconductor production, and Cadence, the leading EDA (electronic design automation) software provider ranking second in the global market, to discuss about and exchange views on the issues concerning promotion of U.S.-Taiwan industry-academia cooperation in semiconductor manufacturing and research and the expansion of R&D investment in Taiwan. Lam Research has built up its supply chain for semiconductor equipment parts in Taiwan for years. Now with an aim to amplify the bilateral cooperation, Lam Research will establish an R&D center in Taiwan with increased investment, so as to strengthen the technical services for advanced processes, expand the scale of the equipment supply chain in Taiwan, and also to speed up the realization of 2-nm mass production. On the other hand, Cadence has taken roots and operated in Taiwan for almost 40 years and has been taking a significant part in the advancement of the local semiconductor technology. On top of the sustained development of the local semiconductor industry, Cadence will work with Taiwan’s Industrial Technology Research Institute this year to set up a lab and begin to develop the chiplet design tools, which will lead to a connection with the U.S.’s research projects and international organizations and further benefit Taiwanese businesses.

Also in the hope of connecting Taiwanese startups with the global market, the Department of Industrial Technology selected 13 startup teams to go to the U.S. for 3-month intensive training at Stanford and Berkely SkyDesk accelerator at the end of 2022. During the process of training, the startup teams had participated the world’s largest consumer electronics show, CES, and also visited companies to seek business opportunities. At the press conference, the founder of EZClaim signed an MOU with the CEO of Agile Point and the president of Taiwanese Chamber of Commerce of San Francisco Bay Area for the innovative insurance claim calculation system developed, which is expected to help Taiwanese nationals to promptly connect with Taiwan’s insurance mechanism when taking medical treatment in the U.S.. By using AI algorithm, such an innovative calculation system is able to help Taiwan nationals estimate the range of claim, evaluate one’s own need for insurance claim, and select the most suitable medical treatment to decrease the medical expenses incurred overseas. The founder of EleClean and the U.S.-based Best Home Health Care Inc. executed a cooperative sales agreement for launch of disinfection home appliances in the post-COVID market and for expanding EleClean’s points of sales on international market.

In addition, Coolso Technology Inc., which develops the sensor technology of signals of muscle movement, will work with Qualcomm and engage in independent software vendor partner trial. Also, Free Bionics, engaged in developing robotic exoskeletons, will sign an MOU with Reneu Health, a rehab clinic chain in San Diego. The developer of AI application solutions for net-zero emissions, WeThink AI, will initiate cooperation for proof of concept with Eni, the 7th largest petroleum company in the world. (Released 2023.02.24)

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