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SIPO to Amend the Guidelines for Patent Examination

The State Intellectual Property Office of the P.R. China (SIPO) on October 27 of 2016 published the “Draft of Amendment to the Guidelines for Patent Examination, for public comment” (“Draft”). SIPO invited reviews from the general public and also welcomed submissions of any comments before the designated due date. The American IP Law Association (“AIPLA”) has submitted its comments to the Draft with commentary and additional proposals. Crystal J. Chen, a partner from the Tsai, Lee & Chen, contributed in translating part of AIPLA’s comments.

The Draft is presented with the following areas of amendment in emphasis.

Patent eligibility of business methods

The Draft affirmatively confirms business method’s eligibility for patent. If a claim directing to a commercial model comprises both business methodology as well as technical features, it shall not be excluded of patent eligibility. In recent years it has been found that, following the significant developments of financial technology, new models of business operation such as finance, insurance, securities, lease, investment, marketing and advertisement have all been springing up fiercely. Many of these new models have successfully contributed to the public by increasing the efficiency of resource allocations and circulation, economizing social costs, increasing national benefits, etc. By confirming patent

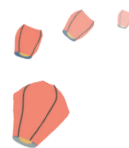
eligibility, it may encourage more investments into business method by granting them patent rights.

Inventions relating to computer program

Pursuant to Article 25 of the Patent Law and Chapter 1, Part II of the Guidelines for Patent Examination (GPE), the computer program per se falls in the category of rules and methods of mental activities which are not eligible for patent protection. Some misled inferences about the protection of computer program related inventions have arisen due to ambiguities in the use of words in some paragraphs of the GPE. The Draft now removes such misinterpretation by clarifying that only the computer program per se will not be protectable. Instead, a claim composed in a style as “mediums plus computer program” is allowable. Specifically for instance, a claim set forth as follows will be allowable:

A computer program product, which comprises non-transient and tangible a computer-readable medium (CRM), wherein the CRM further comprises a program, wherein the program is executed in a processor to perform a set of instructions for a method to obtain geographical address information, wherein the method comprises:

Step A;
Step B; and
Step C.



Also, in the Draft, an apparatus claim can include a computer program as a component, without requiring a detailed description about each function of the program being achieved by which component and how. That is, an apparatus claim can recite both hardware and software or recite a coordination/interaction between hardware and software. Besides, an apparatus claim does not limit to one directing to apparatus executing the process, meaning that an apparatus claim for software-related invention may enjoy more flexibility to compose a claim.

In the Draft, the term “functional module” is replaced by term “program module.” “Functional module” used in the GPE is to define each step to implement the program flow as each corresponding component in an apparatus claim. Since the description of a function of each step in the program is not required anymore, as aforementioned, term “program module” can even more precisely pinpoint the nature of program component in an apparatus claim.

Data supplementation during examination of chemical inventions

According to the Draft, the examiner shall examine the experimental data submitted even after the filing date. (Section 3.4(2), Chapter 10, Part II, GPE) The technical effect shall be supported by the later-submitted data and shall be obtainable in the light of a person having ordinary skill in the art from the disclosure in the patent specification.

It is worth noting that confusions may be resulted as to which data is to be acceptable and to be deemed as sufficient disclosure. AIPLA proposes to elaborate on this section mainly by affirmatively emphasizing that the acceptable data should be those exist in or inherently flow from the disclosure of the patent application, and that all data submitted ought to be examined to determine whether it supports the disclosed technical effects. Furthermore, AIPLA proposes that after a thorough analysis, a post-filing data supplementation clause should also be applicable to other fields of invention.

Even after the Draft becomes effective, applicant should still be careful of the requirements for sufficient disclosure. For instance, the steps and conditions of an experiment should be clearly provided, terminology or measure system not use regularly in the field should be avoided, experimental data and the asserted use or physiological effect should keep in consistency, etc.

Slight relaxation on post-grant amendment

As the currently effective rule, post-grant amendment to a patent specification can only be 1) Deletion of claims, 2) Incorporation of claims, and 3) Deletion of technical solutions. According to the Draft, the addition of one or more technical features from other claims in order to narrow the scope of protection will be permitted, as well as correction of obvious errors in the claims.



For example, a claim set reads as below.

1. An apparatus for manufacturing a processor comprising A and B; and
2. The apparatus according to claim 1 further comprising C and D.

For narrowing claim 1 to avoid patentability challenge, based on the current rule one can only incorporate the entire claim 2 into claim 1 to recite “an apparatus for manufacturing a processor comprising A, B, C, and D.” According to the Draft, amended claim 1 will be permitted to add just one technical feature at minimum, i.e. “C” herein, to recite “an apparatus for manufacturing a processor comprising A, B, and C.”

The reason to emphasize with two caveats regarding Chinese post-grant practice is that the amendment after a grant is admissible only when an invalidation action is activated against the very patent, and that a granted claim cannot be amended by incorporating technical features from the specification. Thus, it is so advised that, when preparing for a specification and claim set, all necessary technical features have to be included in the claim set which is structured in a strict hierarchy of claimed elements. Although the practice sometimes implies more claims and corresponding examination fees to be paid for, it assures critical features being available in a situation where post-grant amendment is inevitable.

Although the Draft allows incorporation of technical features from other claims, AIPLA suggests more

progressively hoping to further permit amendments to a granted claim by incorporating technical features straight from the description of specification. AIPLA explains that such practice would improve harmonization with other major patent offices and also creates a balance of interests between the patentee and the public.

Rules regarding invalidation actions

The Draft removes the rule that allows a requester who raises invalidation action to supplement new evidence directed to patentee’s claims amendment by incorporating other claims. Since amendment by incorporation does not introduce new matters, an invalidation request will only need to reorganize the submitted evidence. By allowing supplementing new evidence means repetitive challenges and defense which do irrationally prolong the proceeding. The Draft does not create any procedural hardship to the requester. In fact, by uncovering new evidence not previously submitted, the requester can nevertheless initiate another, independent, invalidation action.

Scope of file wrapper accessibility

The scope of review and duplication of file wrappers available for the public will be enlarged. According to the Draft, the general public can access to all file wrappers not only limited to those prior to the

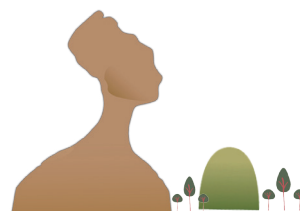
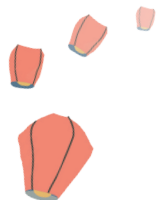
publication date. In addition to published application and specification, the general public will be able to further access to documents of substantive examination including official letters, search reports, examination decisions, etc.

Collaborative implementation of civil procedures

To comply with the Civil Procedural Law 2013, the Draft requires that where the court rules to suspend a proceeding for an ordered period of time for property preservation, local patent office shall perform administrative assistance to act accordingly.

Short Conclusion

Overall the Draft has been welcomed from various perspectives for its introduction of improvements that are by and large echoing the needs of the rapid developments in technologies. Without procrastination, one may expect the Draft to become effective in the first half of 2017.



E INK Deemed not Generic but Well-Known

The American e-paper manufacturer, the E Ink Corporation (“E Ink”), in a trademark infringement action, successfully stopped the opponent from using trademark “E INK” as a business representation and a specific domain name. The IP Court (“Court”) in both of the first instance and the appellate level granted E Ink's claims for monetary damage and injunctions.

E Ink has been engaged in the electronic paper display industry since the late 90'. As the leading and pioneering innovator of e-paper technology, its' products had been taking over 90 percent of the worldwide market share. In Taiwan, E Ink owns two registered trademarks, as shown in Fig. 1-2, in Classes 1 and 9 and also licenses its core technologies and patents to a local supplier. A while ago, E Ink discovered that a Taiwanese printing proprietor, Yi-Ying-Ke, registered a domain name `eink.com.tw` and also used term “EINK” in its business services or printing products. E Ink filed an action of trademark infringement and was granted a favorable decision in the first instance. The infringer appealed the decision.

In an attempt to persuade the Court of non-infringement finding, the Appellant based its argument on several grounds to challenge “E INK's” trademark quality or to defend itself. The grounds were genericness, lack or insufficiency of distinctiveness, fair use, absence of dilution, absence of likelihood of confusion, and absence of bad faith.

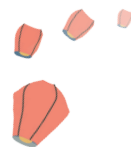
The Court first formulated a conclusion that “E INK” is a well-known trademark. In Taiwan, whether a mark is well-known depends on various factors including but not limited to a mark's associated marketing time span, volume of sales, market share, distinctiveness, commercial value, mass media coverage, etc. Traced back to the year 2000, “E INK” was registered for “visual display devices having electrophoretic display materials, etc.” in Classes 1 and 9. At the time when Appellant's “.tw” version domain name was registered, E Ink had long before registered and used “`eink.com`” without country designation and also been supplying products to international enterprise such as Sony, Amazon, Hanvon, etc. to enjoy a significant amount of sales worldwide. In Taiwan, E Ink has been exposed in different sorts of information platforms accessible by both technological specialists and the general public. E Ink's e-paper products have even been a research topic of an academic thesis, let alone the fact that media has reported E Ink's important commercial events in a large scale. Therefore, the Court concluded that “E INK” is a well-known trademark.



► Fig. 1



► Fig. 2



The Court subsequently analyzed the basis of trademark revocation in response to Appellant's genericness argument. The Appellant alleged that the term E INK has been genericized for a core technology of electrophoretic display material demonstrating optical properties and therefore "E INK" might have become generic and possessed no distinctiveness as a trademark. Note the law prescribes that when a registered trademark has turned into a generic mark, term, or common shape for the designated goods/services, its fundamental ability to identify or direct to a genuine source of product is weakened. The mark is then subject to revocation.¹ The series of facts revealed that, against the Appellant's argument, other e-paper manufacturers used various descriptions to indicate the same technology of "particles operating in a suspension solution" instead of using marks similar to "E Ink." Also, they marketed their own products under different brand names. Therefore the mark "E INK" has not become a generic name for e-paper products or equivalent name of the electrophoretic displaying material solution. Thus, in view of "E INK's" distinctiveness and ability to indicate a specific and unique source of product, the genericness challenge was deemed groundless.

Next, the Court dealt with the question whether or not the Appellant's ownership of the domain eink.com.tw and the incorporation of "EINK" mark in the Appellant's business representation were justifiable. As required,

an act is deemed an infringement when there exists a likelihood of dilution of the distinctiveness or reputation of a well-known trademark.² Here, "E INK" had been held to enjoy well-known status as afore-explained. The Appellant used term "eink," which was similar to "E INK" phonetically, visually, and conceptually in the core of its business operations. Given that both parties engaged in different industries where the Appellant was a traditional printing proprietor and E Ink was an electronic material supplier, they both provided goods/services aimed to deliver information by presenting text or image via information carriers. More specifically, the difference of said carriers may only and indeed imply a technical upgrade of adopted means, whereas the purpose of information delivery and circulation remains identical. Based on the foregoing reasoning and pursuant to Article 70(2) of the Trademark Act, the Court ruled that the Appellant's use of term "eink" as business representation and in the eink.com.tw domain name was deemed trademark infringement.

Furthermore, the Court investigated whether or not E Ink was entitled to restraining the Appellant from using similar or identical marks on Appellant's printed products such as journals, notebooks, calendars. The statute provides that using a mark which is similar to the registered trademark and used in relation to goods or services identical with or similar to those for which the registered one is designated, and hence creates a

¹ §63(1)(4), the Trademark Act

² §70(2), the Trademark Act

likelihood of confusion on relevant consumers would be infringement.³ Although the term “eink” used by the Appellant was not identical to “E Ink,” they were somewhat extremely similar due to the same number and order of consisting letters. Although the Appellant is in traditional printing business while the Appellee E Ink belongs to electronic industry, both businesses were seemingly connected in daily life since they both served the purpose of delivering information by text and image. Relevant consumers with conventional knowledge might misconstrue the Appellant’s printing products bearing the “eink” term originated from the well-known E Ink company, or wrongfully identify that the two mark/terms’ respective owner might be related in a certain contractual association such as license, subsidiary, franchise, or the like. Term “eink” thus created likelihood of confusion and thus the Appellant infringed upon E Ink’s trademark right.

Finally, the Court reviewed E Ink’s unfair competition claim. Under the Fair Trade Act, no enterprise shall have any deceptive or obviously unfair conduct that is able to affect trading order.⁴ “E INK” had attained well-known status enjoying a certain level of economic value. Registration of “eink” in domain name might redirect a potential online buyer to access to Appellant’s rather than E Ink’s products. Obviously, the Appellant enhanced its own market efficiency by exploiting E Ink’s reputation and fame. Such a free ride of other’s good will would be an unfair conduct which is forbidden under the law.

According to the foregoing, the Court ordered that the first instance decision was of no error. Appeal was dismissed and decision was affirmed.

After the long efforts litigating this case, the level of fame of the “E INK” marks has also been endorsed by administrative agency by being collected in TIPO’s directory for well-known trademarks.



³ §68(1)(3), the Trademark Act

⁴ §25, the Fair Trade Act

Court Poses Limitation on Resolving an Integrally Formed Element during Infringement Analysis

Zhou (“Appellant”) as a patentee sued Ledionopto Lighting (“Respondent”) for infringing his utility model patent No. M472792 (‘792 patent), which relates to a reflective lamp cup for optical instruments. More particularly the ‘792 patent relates to a LED reflector, as shown in **Fig. 1**. In October of 2015, the IP Court (“Court”) denied all of Zhou’s claims in the first instance. Zhou appealed the case.

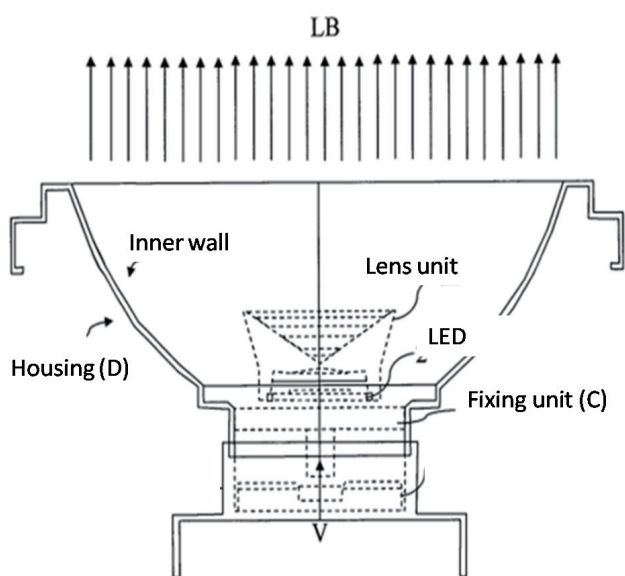
connect a light-emitting diode and a driving circuit, comprising:

(among others)

A fixing unit (C), having a second holding part and a base, wherein the lens unit is stacked on the fixing unit, wherein the first holding part and the second holding part form a holding space to hold the light-emitting diode;

A housing (D), having a body, a third holding part, an emitting part and a bottom, wherein the emitting part is at one end of the body, and the bottom is at the other end of the body, wherein the third holding part is configured in the housing, wherein a reflective layer is coated on the interior surface of the body, wherein the third holding part accommodates the fixing unit and holds the fixing unit on the housing; and

To the contrary, the Respondent contested that its product comprised a different fixing unit (c), a heat-transferring finned base (d), and a cup body (d’). As shown in **Fig.2-4**, the fixing unit (c) is a ring body able to sheath a lens unit (b). And then the cup body (d’) is coated with a reflective layer on the interior surface being engaged onto the fixing unit (c). Altogether the fixing unit (c) can be lockedly fastened at the bottom end of the heat-transferring finned base (d). A holding space for LED installation is thus defined as between the lens unit and the bottom end of the heat-transferring finned base (d).



► Fig. 1

The case presented a key inquiry: how an element of the accused product can be resolved during the comparison for infringement analysis.

The Appellant asserted that the accused product was read on by his ‘792 patent literally, if not, or infringed under the doctrine of equivalents. The ‘792 patent’s Claim 1 recites that: a reflective cup-shaped lamp (A) to

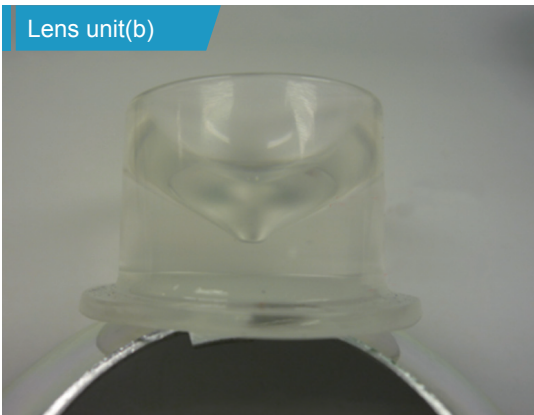
Court Poses Limitation on Resolving an Integrally Formed Element during Infringement Analysis

Fixing unit(c)



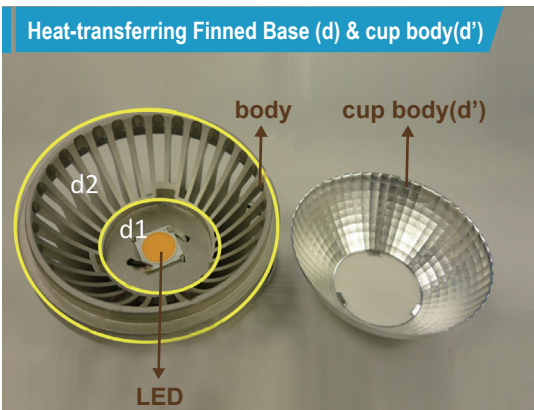
► Fig. 2

Lens unit(b)



► Fig. 3

Heat-transferring Finned Base (d) & cup body(d')



► Fig. 4

In the absence of literal read-on, the Court investigated if the fixing unit (c), finned base (d), and cup body (d') infringed on the equivalent scope of the '792 patent, meaning that the three elements perform substantially the same function by substantially the same way to yield substantially the same result. The Court's analysis is illustrated as below tables.

	<u>Fixing unit (C) recited in '792 patent</u>	<u>Fixing unit (c) of the accused product</u>	Substantial Identity
Way	<i>Stacking</i> of lens unit onto the fixing unit (C); defining a LED installation space between the lens unit and the fixing unit (C)	<i>Sheathing</i> the lens unit onto the fixing unit (c); defining a LED installation space between the lens unit and the finned base (d)	No
Function	Fixing unit (C) holding the lens unit and houses LED	Fixing unit (c) fixing the lens unit on the finned base (d)	No
Result	LED accommodated in the holding space	Lens unit fastened on the finned base (d)	No

► Table 1

Court Poses Limitation on Resolving an Integrally Formed Element during Infringement Analysis

	<u>Housing (D) recited in '792 patent</u>	<u>Finned base (d) and cup body (d') of the accused product</u>	<u>Substantial Identity</u>
Way	Body of the housing (D) disposed with reflective layer	Independent and separated cup body (d'), coated with reflective layer, indirectly connected with the finned base (d) via a fixing unit (c)	No
Function	Reflective layer reflecting light beams radiated from lens unit	Reflective layer reflecting light beams radiated from lens unit	Yes
Result	Homogeneous illumination by light emitted from the LED	Homogeneous illumination by light emitted from the LED	Yes

Based on the all-element rule, the Court found that the accused product does not infringe the '792 patent under the doctrine of equivalents.

However, the Appellant continued to further argue that, in reference to TIPO's Directions for Patent Infringement Assessment (TIPO's Directions), multiple elements (z1+z2) in the accused products can be combined to compare with one technical feature (Z) of the claim, or vice versa. Following the rationale, the Appellant sought to propose two models where:

fixing unit (C) <-> fixing unit (c) + lower part of finned base (d1); and

housing (D) <-> cup body (d') + upper part of finned base (d2);

or

fixing unit (C) <-> fixing unit (c); and

housing (D) <-> cup body (d') + lower part of finned base (d1).

The Court rejected both proposed models partially because the Appellant wrongfully construed TIPO's Directions. The Court emphasized that, by resolving a single element (d) and then combining the resulting sub-elements (d1 and d2) with other elements respectively (c and d'), the constitutional relationship and structural connectivity of said single element was destroyed. The Appellant seemingly re-arranged the accused product's elements in a rather arbitrary and purpose-oriented approach. **For an integrally formed element of an accused product, an intended resolution which undermines said element's inherent and structural relation will not be permissible.**

As the advocate for Respondent, Tsai, Lee & Chen challenged Appellant's models whether, during infringement analysis, an element of the accused product can be further combined with different other elements in order to compare with different technical features of a claim. **That is, it is doubtful if an element can be combined and then compared to more than one claim feature repetitively.** To which however the Court did not opine expressively with a definite answer but rather put stress on the permissiveness of such resolution approach for the accused product, and eventually denied. In fact, neither TIPO's Directions provides a satisfactory and comprehensive explanation on how an accused product should be resolved or how comparison should be exactly performed.

The Court in the second instance again ruled in favor of the Respondent mainly based on the afore-said reason. We expect that relevant controversies regarding resolution of a claim or an accused product may likely repeat.

RIMOWA Wins Unfair Competition Cases in China

RIMOWA, the premium luggage brand leader, won two favorable rulings in the latter half of 2016. One of those two judgements was released by the Zhongshan First People's Court ("Court") in Guangdong, on October 28 of 2016(No.296-ZhongFirstCourtIPCivilLitigation-2015). The judgement unprecedentedly marked RIMOWA's grooved design as an unique ornament of a famous commodity , placing it in protection under the Anti-Unfair Competition Law ("AUCL") in China, one of the world's largest single market for travel gear and accessories.

The Anti-Unfair Competition Law ("AUCL") in China dictates in §5.1(2) that an act of "[using] the unique name, package, or ornament of the famous commodities, or [using] a similar name, package, or ornament of the famous commodities" is a means of manipulating commercial transactions to economically impair other market participant(s). Such an act is considered unfair, as it confuses consumer's ability to distinguish the famous merchandise from the copies. Infringement which engages in unfair competition is in violation of the §5.1(2) of AUCL, and will be liable for monetary damages and injunctions.

On November 2, 2015, RIMOWA filed three complaints against Aimowa, a sole proprietorship luggage products manufacturer, respectively accused of unfair competition, trademark infringement, and utility model infringement. In the unfair competition claim, RIMOWA's argument was centered on the well-known, worldwide status of its signature groove design. It

alleged that the debut of the RIMOWA brand, along with the signature groove design, could be traced back to 1950. Before it entered the Chinese market many local customers had already been aware of this signature design from various sorts of media coverage. Over time, RIMOWA has gradually opened more than thirty boutique stores throughout Chinese cities. It enjoys a significant market share and has been awarded recognition and numerous awards domestically and internationally.

The defendant countered by discrediting RIMOWA's groove design as not being a "unique ornament of a famous commodity" due to the disputed design's stress-resistant functionality and ubiquitous availability. The defendant also tried to explain that its luggage products were made per Aimowa's own design patents.

The Court reviewed the relevant facts and then developed reasoning as follows.

The first question presented before the Court was whether the RIMOWA luggage was a famous commodity protectable under the AUCL. As stipulated, "famous" commodities are those having certain market popularity within the territory of China and known to the relevant consumers.¹ Considering the time span, geographical areas, marketing figures, and targeted consumers of RIMOWA luggage's sales and advertising activities, without particularly excluding the fact of being well-known in foreign countries, the Court

¹Article 1, Interpretation of the Supreme People's Court on Some Matters about the Application of Law in the Trial of Civil Cases Involving Unfair Competition

believed that RIMOWA should be entitled to the “famous” status in China.

Next, the Court addressed the question whether RIMOWA’s asserted ornament was distinctive. An ornament shall be one bearing notable characteristics which is able to be distinguished from the other common merchandise, except that in this case, the ornament is the product’s shape, achieving a technical effect and creating substantive value to the product.² Although the defendant argued that the groove design on luggage having no notable characteristics due to that the grooves fortify resistance against physical stress and thus increase durability, the Court found the defendant’s exhibits as being circumstantial and thus failed to directly support its own functionality argument. The fact is, RIMOWA did not claim for all kinds of groove designs but only those, with equal spacing and uniformed width and height of grooves, being employed comprehensively on the entirety of a luggage piece. In other words, while different sizes, graphic patterns, or compositions of the grooves are available to improve luggage’s durability, any manufacturer has alternative options to freely choose its desired design. RIMOWA’s groove design is not an indispensable or absolute shape to achieve a given technical effect. Therefore, it should be able to acquire distinctiveness through the course of commercial use.³

Moreover, no evidence indicated that, prior to RIMOWA’s Chinese market entry, similar products were ever sold or available. The presence of several luggage

products with grooves on the exterior was not sufficient to dilute RIMOWA’s signature design to become a generic pattern in the market. Affirmatively speaking in short, via consistent use and countless promotional events, RIMOWA has successfully enabled relevant consumers to associate the overall idea of RIMOWA’s groove design with its luggage products. The signature groove design can be recognized as distinctive characteristics identifying the genuine source of a particular sort of luggage commodity.

After establishing distinctiveness, the Court continued to analyze if any confusion as to the genuine source of RIMOWA’s products would arise and if defendant’s sales is an act of unfair competition. It was prescribed that an occasion of confusion includes a situation where the relevant consumers erroneously acknowledge the existence of a license agreement or of an affiliation relationship with the genuine product provider.⁴ Considering the high degree of similarity between two product series, although the price and market strategy may differ, it was found that the defendant’s products inevitably create a likelihood of confusion among luggage buyers as to some sort of economical affiliation between the two suppliers. Even though the defendant owns some enforceable design patents where one of which is identical to RIMOWA’s groove design, the patent right does not bar against RIMOWA’s priorly established rights. The defendant’s unlawful use of RIMOWA’s signature design constitutes unfair competition.

² Article 2(1)(3), *Id.*

³ Article 2(2), *Id.*

⁴ Article 4, *Id.*



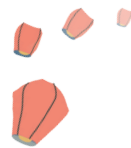
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About the clause of damage calculation pursuant to the Trademark Law, the Court concluded to grant injunctive relief and awarded statutory damage to the amount of RMB 100,000 and reimbursements of RMB 50,000 for costs incurred during the enforcement.

On December 2, 2016 in a different case where RIMOWA sued another defendant based on the same ground under AUCL, the Beijing Dongcheng District People's Court's decision also favored RIMOWA (No.04248-DongCivil IPLitigation-2015). In the ruling, the Beijing court not merely recognized RIMOWA's

groove design as an unique ornament of the well-known commodity, but broadly acknowledged the entire "groove design set" of the suitcase as the unique ornament. The claimed "groove design set" encompassed five elements including the grooves, the protective corners, locks, metal strips and rivets, which is much broader than just the "groove design" itself. We believe the two Chinese court judgments shine a remarkable twilight to the enforceability of well-known products that possess an unregistered but "unique" ornament.

Bill Passed to Extend Grace Period to a Total of 12 Months



The legislative branch of Taiwan passed a bill on December 30, 2016 amending the term of the novelty grace period from six (6) months to twelve (12) months and relaxing the applicability of the law.

According to the amended §22(3) of the Patent Act (the Act), any events, either out of the applicant's consent or not, shall not be deemed as loss of novelty, provided that a patent application for invention or utility model is filed within twelve (12) months after the date of the event's occurrence. Whilst the amended §122(3) of the Act prescribes the same period for design applications staying at six (6) months for any intentional or unintentional events of disclosure.

Before the amendment, §22(3) of the Act could be applied only if the disclosure was owing to some specific events, voluntary or involuntary, and the event had occurred within six (6) months prior to the patent application. The circumstantial application of the grace period became a restriction for inventors to take advantage of when attempting to file for a patent. It is because nowadays pre-filing disclosures by means of various commercial or academic activities are common. Novelty may be easily lost due to competitor's act or the applicant's own act. The amended §22(3) of the Act relaxes the types of admissible events, abolishes administrative requirement in the old §22(4) of the Act and extended the applicable time period to be harmonized with the practice of some neighbor countries.

Enterprises and academic institutions are expected to benefit from the amendment since their pre-filing publication activities of all sorts will not become a statutory novelty bar. Furthermore, in account of an international implication, the amendment will bring Taiwan's patent system more in conformity with that of some major jurisdictions in the world.

Interpretation of grace period clause defines an "applicant" as being the actual applicant, the assignee, the assignor, or a third person authorized by the assignee. Also, by interpretation, grace period clause defends not only loss of novelty but lack of inventiveness.

Note that the publication of a national or foreign patent application pursuant to the patent regulations of the respective jurisdiction, which is foreseeable, does not preclude loss of novelty, as required in §22(4).

*The amendment was promulgated on January 18 by the President and became effective on January 20. However, the date of enforcement will be subject to the administrative order issued by the Executive Yuan. The new provision will apply to events of technology disclosures occurred within 12 months prior to the day of enforcement.



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