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New Patent Regulations Open Opportunity for Different Types of Designs

Taiwan partially revised the Chapter of Design in the Patent Examination Guidelines ("PEG"). The revision is effective as of November 1, 2020. Of the articles revised in the Patent Examination Guidelines, the most impactful deals with the patentability of buildings and interior designs as well as non-tangible image designs. The following presents the digest of the revision.

Omission of views

A curbing precondition to the permitted omission of views has been removed from the revised PEG.

In the previous version of the PEG, to meet the requirement of sufficient disclosure, a perspective view and multiple side views (six views - top, bottom, right, left, front, and rear) were generally necessary to demonstrate the appearance of a three-dimensional article. Omission of specific side view(s) was permitted only when the omitted side is "not conspicuous (or easily seen) for a general consumer when purchasing or using the article." However the determination what is considered to be of "conspicuity" for an omitted side view could be easily disputable depending on the facts of each case.

The revised version of the PEG removes the readily observable requirement for any side view which has been omitted. It subsequently clarifies that, unless omission leads to non-enablement, any omitted sides will be by default deemed as "disclaimed parts" based on the concept of partial design. Only when the omission of sides is owing to identity, symmetry, or other specific causes, will the applicant be required to provide a description explaining that the omission is otherwise not a disclaimed part.

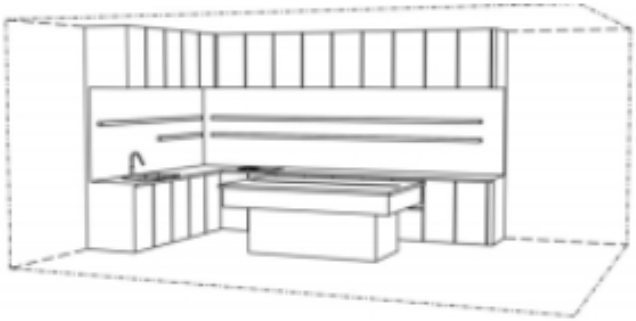
Design eligibility of macroscale constructions

The acceptable design criteria is no longer limited to items which are small enough to hold in one's hand, thanks to the revised version of the PEG.

Traced back to 2005, the old PEG stipulated that a design must be a movable property which has static form and could be traded independently. Particularly as a negative example, real estate was not eligible for a design patent. Although in 2013 the Patent Act was amendment to remove these prohibitions, some remained questioning whether buildings were eligible for design patents.

The revised version of the PEG in 2020 affirmatively specifies that the article onto which a design applies can be any article which can be produced through manufacture, including buildings, bridges, interior spaces or gardens, as well as anything which has been created via industrial or hand processes.

Likewise, one is required to submit sufficient views in order to apply for a design patent for buildings or interior spaces. Omission will by default be deemed disclaimed parts, unless particularly explained in written to the otherwise.



Protection for virtual designs

Under the new PEG regime the applicant will be entitled to a graphic image design patent for intangible matters. The previous version of the PEG defined a graphic image as a computer-generated icon or a graphical user interface (GUI) that is primarily created by a computer program product (CPP). In addition to tangible IT devices, the new PEG introduces an intangible application or software such as a CPP to be the article to which a design necessarily resides. In other words, the new PEG confirms that a CPP is an industrially applicable product covered in the Patent Act. Hence the icons and GUIs are redefined as the virtual images "presented or projected" from all kinds of display of electronic devices. That being the case, the Patent Act does not protect program source codes or object files but only the visual presentation of graphics yielded as a result of program operation.

Graphic designs can be given titles such as "an icon of a computer program product," "a graphic user interface of a computer program product," "a controlling dashboard of a computer program product," "a window of a computer program product."

Identity and similarity of the products for a new design and potential prior art are critical for novelty determination. When one designates "computer program product" as the title of a design, the design is considered to be used on "all" sorts of electronic products. In other words, the extent of product similarity extends to "all" electronic products having computer programs. A likely consequence of this trade-off is that a new graphic on a computer program product would have to overcome a novelty bar of a rather difficult threshold. For example, an icon design on the CPP would be rejected for lack of novelty by a reference of a similar design residing on a refrigerator's monitor. Conversely, a granted graphic image design on the CPP would have a larger claim scope and could hold designs on any monitors of tangible products similar.

For the purpose of disclosure, a front view is sufficient for a graphic image when it is shown as planar image from a monitor or a projection. Conversely, when a design is three-dimensional imaging such as a hologram, virtual reality or even a design shown on curved or cylindrical screen, more views seen from different angles are inevitably necessary. As a new disclosure practice in the revised PEG, the drawings will only present the GUI or icon itself, without using solid lines or broken lines to contour an intangible article as a virtual carrier.

Graphics attached to a tangible platform device

Graphics attached to a intangible computer program product

Literalizing the concept of degree of freedom

A design solely dictated by function is not eligible for a patent. Whether an article is entirely functional is sometimes debatable. The revised PEG affirmatively introduces the concept of the "degree of freedom" for designs, which was previously discussed more in courts than in TIPO. According to this concept, if the exterior of an article is entirely dictated by function without any degree of freedom for design to afford creation of visual appearance, it is considered solely to be a functional design and therefore not patentable. For example, a key blade and a key hole, or a bolt and a nut, are shaped in such a way so that they necessarily fit together perfectly (configurationally must-fit). There is no freedom of design because the design is an absolute result dedicated to engaging or assembly without any infusion of creative ideas. Hence the two pairs of examples are not eligible for design patents.

New Dispute Resolution Rules in China Suggest the Launch of Patent Linkage System

On September 11, the State Council promulgated a public comment draft for the "Implementation Rules for the Early Resolution of Patent and Drug Disputes" ("Implementation Rules").[1] It serves as an attempt to construct an operative platform for the patent linkage system, which connects a new drug's patent(s) with the market approval of a competing generic copy. The legislative proposition of the Implementation Rules aim both to encourage new drug research and to advance high-level generic drug development, as a concretization of the foregoing policies about pharmaceutical renovation and their associated IP protection in 2017[2] and 2019[3]. The Implementation Rules is comprised of 16 articles in total.

The National Medical Products Administration (NMPA) is the highest agency governing pharmaceutical policy and is commissioned to establish a marketed drug patent information registry. Market approval holders may report and make public information about any core patents related to marketed drugs as the basis for which the generic drug applicants certify their patent status. However, it must be noted that any patent information that is not registered on this platform will not be subject to the patent linkage system.

During the review of a patented drug for market approval, the applicant may upload relevant patent information within 30 days from the patent's grant and during this period submit the relevant patent registration information to the NMPA via the NMPA's registration platform. For any changes in patent information, the approval applicant/holder may make a request to update in the register within 30 days from the incidence of change. (Article 4)

1 https://www.nmpa.gov.cn/xxgk/ggtg/qtggtg/20200911175627186.html

2 http://www.gov.cn/zhengce/2017-10/08/content_5230105.htm

3 http://www.gov.cn/zhengce/2019-11/24/content_5455070.htm

The patent information register will be available for pharmaceuticals including active compounds of chemical drugs, compositions having active ingredients, uses of pharmaceuticals; sequences of biologics; traditional medicine compositions, traditional medicine extracts, and uses of traditional medicine. (Article 5) Registration applicants or market approval holders must account for the credibility, accuracy, and integrity of any submitted patent information.

As for the market approval application for generic copies of drugs, the generic competitor must provide a certification against each of the registered patents to which the generic drug may pertain. Similar to what is found in the US FDA's Orange Book, the generic competitor shall certify any one of the following statement along with sufficient evidence in order to link the patent status. (Article 6)

1. The registry does not have the patent(s) which the generic copy may involve;
2. The patent(s) which the generic copy involves expired or been declared invalid;
3. The registry has the patent(s) which the generic copy may involve but the generic drug maker commits a restriction of sales before the patent(s) expires; and
4. The patent(s) which the generic copy involves in the registry is believed to be invalid or the generic copy does not infringe the registered patent(s).

To counteract a generic competitor's certification, the patentee or interested party may either file an infringement lawsuit in court or file a complaint to the CNIPA in pursuit of an administrative decision, within 45 days from the NMPA's publication of the application for a generic copy. Then, the patentee or the party of interest must submit a copy of a case receipt to the NMPA in 10 days after the case is docketed at either one of the forums. Filing a case with the court or the CNIPA serves as a brake for NMPA's generic approval review. In instances in which there is no case-filing or notification by the patentee within the above timeframes, the NMPA may exercise its discretion to issue a generic approval. (Article 7)

Most importantly, the NMPA will have a stay of generic approval for a period of 9 months from the day to have docketed a case at a court or the CNIPA, though during this time the NMPA will not cease from its review of the scientific data and pharmacological effects of the generic copy. (Article 8) For Statements 1 and 2, the NMPA will decide whether or not to grant an approval according to its own findings upon the conclusion of its review. For Statement 3, the NMPA will issue a conditional approval that the generic copy will launch for sale only after patent(s) expiry. (Article 9)

Statement 4 is the only statement that may lead to a patent challenge. The NMPA is more restrictive when it comes to its issuance of a generic approval. The NMPA will proceed to decide the issuance of a market approval only in integrative consideration of the court or the CNIPA decision under the following scenarios.

1. If the patent read on a generic drug, within 20 days before patent expiry;
2. Patent invalidated, not infringed, or otherwise both parties in dispute have settled;
3. Beyond the 9-month period, the court has not made a binding judgement or the CNIPA has not made a decision or mediation agreement;
4. The NMPA receives a court's judgement or the CNIPA's decision in an affirmative finding that the patent reads on the generic drug. (Article 10)

Lastly, the Implementation Rules creates an economic incentive for stimulating pharmaceutical competition, which should create a much more beneficial environment for consumers. The first generic drug maker who successfully prevails in infringement action or administrative intervention will be granted an exclusive sales privilege for a period of 12-months precluding any other prospective sellers for the same drug. Some highlights featuring China's patent linkage system are organized in the table below. Analogous existing rules in Taiwan have been provided for comparison.

	CHINA	TAIWAN
Subject Matter	Substances, Compositions having Substance, and Medicinal Uses	Substances, Compositions having Substance, and Medicinal Uses
Time to Register	30 days from Patent Grant	45 days from Market Approval
Time to Update	30 days from Change	45 days from Change
Generic Competitor's Certifications	1 No Patent Info Registered 2 Patent Expired or Invalidated 3 Generic Applicant Promised Not to Sell Before Patent Expiry 4 Patents Ought to be Invalidated or No Infringement	1 No Patent Info Listed 2 Patents Expired 3 Generic Approval Issued Only after Patent Expiration 4 Patents Ought to be Invalid or No Infringement
Forums to Challenge Certifications	1 Courts of Law for Infringement Suit; or 2 CNIPA for Administrative Intervention	Courts of Law for infringement Suit
Stay of Generic Approval	9 months	12 months
Market Exclusivity for Frist Successful Challenger	12 months	12 months

Comparison with Taiwan

Taiwan's patent linkage has a particular opposition mechanism affording any individual to report to the Taiwan FDA any erroneous patent listing. However, the opposition is not a mandate over the patentee to revise or take down the listing accordingly.

In August 2020, the first case of a report of this kind was made[4]. Exelon® by Novartis AG is a rivastigmine transdermal system for the treatment of dementia associated with Parkinson's disease. Novartis listed Exelon Patch 10 on the Taiwan FDA's platform in September of 2019, asserting it to be a "new drug" under the Pharmaceutical Act which is eligible for patent linkage. A third party, the Taiwan Patent Linkage Watch Network, submitted an opposition by alleging the Exelon Patch 10 was in fact not a new drug. Accompanied with a series

4 https://plls.fda.gov.tw/Patent?ID=JZW0857gvxE%3D

of evidence, it was said that Exelon Patch 10 was the same as the previously listed Exelon Patch 5 in terms of its active substance, indication, dosage form, and administration route. The only difference between Exelon Patch 10 and Exelon Patch 5 was the dosage amount. In response, Novartis argued that what constitutes a new drug should be broadly interpreted to encompass a drug of any of new substance, new indication, new administration route, new dosage form, as well as "new unit mass." Therefore, the patents to which Exelon Patch 10 related are eligible for patent linkage listing. Novartis refused to take down its listing.

Currently Novartis and the generic challenger Tehseng Pharmaceutical are engaged in a lawsuit disputing a Statement 4 certification. The Taiwan FDA stayed from issuing a generic approval. Given its profound impact on pharmaceutical patents, this case's developments deserve a close eye.

TIPO Introduces Startup Prioritized Examination Pilot Program

The Taiwan Intellectual Property Office will initiate a new examination program dedicated to encouraging the development of startup enterprises. The program, which has a planned launch date of January 1, 2021, will run for 30 tentative cases during the first half of that year. Aiming to accelerate allowability and grant of invention patent applications for startup companies, the program seeks to prioritize their applications and voluntarily offer a guided interview. TIPO hopes to shorten the examination timeframe by advising startup applicants of any cited rejections as well as the possible solutions provided by the proper amendments tailored to each case.

Enterprises which have been incorporated under the relevant corporate law of Taiwan or a foreign country five (5) years prior patent filing date are eligible for the pilot program. If a priority date is claimed for an invention patent application, the time period of incorporation will be calculated from the priority date. The program is available when the startup company is both the invention patent applicant at record at the time of filing and the time to request for entering this pilot program. A foreign startup applicant shall submit a certificate of incorporation or a similar document along with a Chinese translation text for the same, in order to provide proof of the exact date of incorporation. Executed affidavits to attest credibility are required in instances in which the original copies are not submitted.

An interested startup applicant may request to take part in the pilot program during the time after TIPO's notice of starting substantive examination and before the first office action is received. Within a month of the applicant's request, TIPO will proactively offer an invitation to interview the applicant, which will include an examination summary including a search report against novelty, inventiveness, and other potential grounds for rejection. Within the next month after TIPO's invitation, TIPO will schedule a guided interview. Different from the interview methods which have been traditionally employed, a guided interview involves the examiner explaining to the applicant not only the rejections and objections but also the

available solutions to overcome them by making appropriate revisions. However, such a guided interview does not guarantee that the examiner's advice will necessarily lead to an optimal outcome for the applicant in a commercial situation. As such, the best-tuned balance between patenting an invention in law and maximizing one's business interest can be achieved by using one's own judgement as opposed to closely following the advice given in an interview.

If the applicant duly makes a response and/or an amendment within a month after the guided interview, generally the TIPO will issue a notice of allowability (or yet another office action). In absence of the applicant's response beyond a month after the interview, the application will be removed from prioritized pipeline and then switched to regular examination. As an alternative the applicant can opt to withdraw the application, and possibly thereby affording protection for the invention as a trade secret instead.

The program itself is free of any official charges. Furthermore, just like a regular application, a refund of substantive examination fee is not available if the application is withdrawn after the time of TIPO's office action.

The pilot program will run on a first-come-first-served basis for 30 applications. Once the 30 seats are filled up, TIPO will publicly announce the later filed applications which could not be entered into the program. TIPO has emphasized that it will consistently review the efficacy of the pilot program, which is an important factor in determining whether or not to retain it and use it on a permanent basis.

China Passed the Fourth Amendment to Patent Law

The Standing Committee of the National People's Congress promulgated a new revision Patent Law on October 17, 2020. After more than a decade since previous revision in 2008, the Amendment marks the fourth instance in which the Patent Law has been revised. Several new provisions are deemed quite unique in comparison to other IP systems in the world. The Amendment will not become effective immediately but will instead be scheduled until June 1, 2021. During the time gap between now and the date of becoming effectiveness, it is believed that more subsidiary or auxiliary regulations will be put into place in support of the Amendment's legal framework. A summary of the major changes formulated in the Amendment are elaborated on below.

Design Patent (§§2, 29, and 42)

First and foremost, the revision adds language to Article 2 of the Patent Law which makes partial designs patentable. The amendment redefined a patent-protectable exterior design as, either a whole "or in partial," the shape, graphic, or the combination thereof that is colored or not on a product appealing to visual effect and adapted to industrial applicability.

The patent term for design patents extends to 15 years from the date of filing, as opposed to 10 years currently. The 15-year term aims to meet conditions set forth in the Hague Agreement which CNIPA vows to concede to.

The Amendment permitted a domestic design application as a valid priority basis for another design app lication. Specifically, a design patent applicant can claim priority to another earlier Chinese design application filed within six (6) months. The earlier application is deemed withdrawn on the filing date of the later application.

Term Extension and Adjustment (§42)

A patent-term compensation mechanism has also been introduced by the Amendment. For an invention patent granted after four (4) years from filing or three (3) years from examination, the patentee may request a term extension to make up for the unreasonable delay attributable to the examiner during examination.

Furthermore, the Amendment provides a mechanism to compensate for the time of unenforceability of a drug patent due to a market approval examination by the National Medical Products Administration (NMPA, f.k.a. the CFDA). The patentee may request a term adjustment to compensate for the unenforceable period for a maximum of 5 years and the remaining patent term in total caps at 14 years after the launch of a new drug.

However, a calculation formula regarding the extension or adjustment of a patent term has yet to appear.

Remuneration (§15)

The employer is encouraged to reward its inventor/designer employees by bestowing financial assets such as company's shares, options or dividends, so that the inventor/designer employees may reasonably profit from the revenue generated by their invention or design. However, the option of bestowing financial assets is merely a recommendation and is expected to be more likely adopted by smaller startup companies which have slow cash flows. As it does not authoritatively grant an inventor/designer employee a right to choose, the employee cannot demand for shares over the cash which when the employer so decides.

Damages (§71)

The Amendment also significantly increases punitive damages for infringements. For willful infringement with grave malicious intention, the infringing party may be subject to punitive damages amounting to up to five (5) times of the found injury. The five-fold ceiling is considered revolutionary as it is probably one of the highest available punitive multiples among major IP countries.

Also included in the new Amendment is an increase in the statutory damages which have been increased from RMB 30,000 to 5,000,000 (about USD 4,500 to 760,000) awardable at the court's discretion depending on numerous factors apart from the standard calculation basis for damages, such as the type of patent or the severity of the infringement.

Rule of Evidence (§71)

To calculate damages, the default rule of evidence requires the patentee/plaintiff to demonstrate documentary materials to support its own findings in damage amount. Subject to certain conditions, the Amendment allows a patentee's burden of proof to be shifted to an accused infringer/defendant. When the patentee/ plaintiff has exhausted all means in an effort to demonstrate the amount of damages, the court may order the defendant to present hitherto undisclosed information such as ledgers, books or other financial records to the court. If the infringer/defendant fails to do so, the court may support the patentee's preliminary evidence of damages calculation.

Statutory Time Limit (§74)

The patentee will have more time in which to initiate an infringement action under the Amendment. A lawsuit against an infringer may be

filed within three (3) years, as opposed to the current two (2) years, from the time when the patentee or a person of interest knows or is supposed to know both the relevant facts of infringement and of the infringer.

Similarly, in order to enforce the invention application's provisional right after publication but before grant, the patentee may now claim for reasonable royalty within three (3) years, as opposed to the current two (2) years from the time the patentee knows or is supposed to know the third party's activities of employing the invented technology. However, the three-year time limit will only be calculated from the date in which the patentee or interested parties knew or should have known the third party's activities of use.

Grace Period (§24)

Under the current law, to enjoy a grace period of six (6) months to exempt the loss of novelty, the applicant must meet one of the three statutory events: (I) display for the first time in a State endorsed international exhibition, (II) publication for the first time in an academic seminar, and (III) disclosure by another without the applicant's consent. The Amendment did not make grace period exemption available to all facts of prior disclosure, different from what some legal experts once expected. Instead, the Amendment only added a fourth fact: publication for the first time as per public interests in response to the national emergency or extraordinary situations.

Open License (§§48-52)

The patentee may grant a license to anyone after paying a pre-determined license fee. The China National IP Administration (CNIPA) will approve and make public the patent's statement of open license intent so that anyone interested in it can join and be bound by the agreement. If the patent opened for license is a utility model or a design patent, a patent evaluation report is additionally required. An open license statement can later be withdrawn. A withdrawal, however, will not revoke any ongoing and effective license(s).

Passing off (§§68-69)

Fraudulent use of others' patent(s) is an offense and subject to civil, administrative, and/or criminal liabilities. The Amendment elevates the ceiling for administrative fines from four to five times the offender's illegal gains. For a case in which the illegal gains range from RMB 0 – 50,000, the fine is capped at RMB 250,000. In investigating a case, the local IP enforcement agency may exercise the power to (1) enquire relevant parties of the facts regarding an infraction; (2) conduct an on-site inspection of the suspected offender's premises; (3) review and duplicate evidential materials such as contracts, invoices and ledgers.; (4) examine products relevant to the infraction; and (5) seize or detain a product provable of counterfeiting a patent. Importantly, in instances in which the enforcement agency approaches a suspect in response to a patentee or interested party's report, the agency may only engage in inquiry, on-site inspection, and suspected product examination, or the measures listed in items (1), (2), and (4).

Patent Linkage (§76)

The Amendment paved the way for a patent and pharmaceutical linkage system. In September the State Council released a specific document to signal the regulatory introduction of the patent linkage system[1]. As the governing statute, the Patent Law

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needs to construct a superior framework to accommodate the system.

According to the Amendment, during the review for market approval of a new drug, the approval applicant and the patentee having any legal disputes over the new drug-related patent(s) may file a lawsuit to the court. The court will then rule whether the new drug pending for approval infringes the patent(s) in dispute. The agency responsible for the regulation of drugs under the State Council (National Medical Products Administration), may order to suspend an approval review process in reference to the court's binding decision. Rather than a court of law, the approval applicant and the patentee may opt to seek an administrative resolution in the CNIPA for the drug-related patent disputes.

A Foreign Filing Receipt Cannot Be a Substitute for a Priority Document

Entegris Inc. filed a patent application for an invention entitled "substrate container with magnetic latching assistance" which claimed priority to an earlier US filing. In response to TIPO's request for a priority document, Entegris submitted a Filing Receipt and an Electronic Acknowledgement Receipt in lieu of a regular patent specification for the US filing. Even though they were officially issued from the USPTO, TIPO declined the receipts as a substitute for the priority document. TIPO subsequently made a decision in which the Taiwanese application was deemed to have claimed no priority right. Entegris sought legal remedies in an attempt to revoke TIPO's decision and to revive the priority claim. After respective reviews by the Ministry of Economic Affairs and the Taiwan IP Court, the case reached the Supreme Administrative Court (SAC). The SAC concluded the dispute by ruling that a foreign filing receipt cannot replace a priority document.

Article 29 of the Taiwan Patent Act is the fundamental rule for the formality requirement of a lawful foreign priority claim. When an applicant's first patent application is filed in a WTO member country which reciprocally accepts claims of priority rights from nationals of Taiwan, ROC to the applicant may claim priority for his/her Taiwanese patent application for the same invention. To enjoy a priority for an earlier-filed foreign application, a Taiwanese counterpart must not only be duly filed within 12 months but also specifically declare the priority date, the jurisdiction where the priority application was filed, and the application number of the priority application. Additionally, the application must submit a "certified copy of the priority application issued from the foreign patent authority," within 16 months

from the earliest priority date. In case of a violation of the above rules the priority claim will be deemed not to have been made, as prescribed in Article 29III of the Patent Act. However, the Patent Act does not specify what can be constituted as an admissible priority document.

According to TIPO, an admissible priority document has to contain the minimal particulars including an issuance date of the priority document, the application's official application date and the application number assigned by the foreign patent office, as well as the technical disclosure with specification and drawings; all of which should be sealed by the foreign patent agency. The applicant's failure to comply with this rule for an admissible priority document resulted in ineligibility of a priority claim.

In the trial, the Taiwan IP Court (IP Court) leaned towards the applicant Entegris. The IP Court mainly reasoned that TIPO's minimal formality requirement went beyond the statutory regulations under the Patent Act, the Enforcement Rules of the Patent Act and the Patent Examination Guidelines. The Patent Act only requires submission of an application document that has already been docketed in a foreign receiving office. The Enforcement Rules of the Patent Act further requires the application document issued by a foreign office to be an original copy; if a photocopy is submitted within the statutory time frame, an original copy should be provided later by a designated due date. Neither the two statutes, however, require the same minimal formality as TIPO does.

Entegris also argued by taking reference to MPEP of the USPTO, in which information of items such as a filing receipt includes an application number, a filing date and a confirmation code. Only when a particular application has sufficed minimal filing requirements to secure a filing date, will the USPTO assign an application number and the confirmation code. Therefore, presenting a USPTO filing receipt demonstrates that a US filing is complete at docket. This argument was supported by the IP Court.

In addition to the foregoing rationale, Entegris found that TIPO had accepted filing receipts from other patent offices submitted from some applicants as the certified priority documents, and had given them opportunities to rectify. The IP Court held that, based on the equal treatment doctrine under the Administrative Procedure Act, TIPO should have granted Entegris an opportunity for rectification within a reasonable time frame.

The Supreme Administrative Court in the second instance overruled the decision made by the IP Court. First of all, the SAC held that the formality of priority documents TIPO requires has basis in the Patent Act. Article 158 of the Patent Act is a general empowerment clause authorizing the Ministry of Economic Affairs, which is part of the executive branch, to formulate the Implementing Rules as the auxiliary regulations to enforce the Patent Act. The policy goal is to encourage innovation and protect inventions. In order to efficiently achieve this goal, the Ministry of Economic Affairs has been vested with powers to stipulate documents and formality required for the purpose of claiming international priority according to the Implementing Rules. Under

this concept, the minimal requirement of a proper priority document is a rather technical and procedural matter which, importantly, did not supersede the literal scope of the Patent Act, nor override the power that the Patent Act has delegated.

As a member of the World Trade Organization (WTO), Taiwan is obliged to be bound by the TRIPs Agreement as well as the substantive clauses in the Paris Convention. When an applicant claims a foreign priority under the terms of the Paris Convention, TIPO will determine whether the earlier foreign application and the Taiwanese applications filed are the same. To do so, the TIPO will investigate whether the earlier application was filed in a peer WTO member state, whether the Taiwanese application is filed within 12 months from the earliest application date, and finally whether the inventions filed in the foreign country and in Taiwan are the same. A proper "certified copy of the priority application" under the Patent Act is one which bears enough information enabling TIPO to make a judgement as to whether a foreign priority claim is lawful. Merely presenting a filing receipt would not be sufficient in this regard.

The Patent Act and its Implementation Rules did not lay unreasonable additional burdens on the applicants by demanding submission requirements of the priority document, the SAC emphasized. It was understandable that processing and delivery of a priority document takes time. To ensure a standard of fairness to all applicants worldwide, TIPO tentatively accepts a photocopy firstly submitted within 16 months from the priority date if the due date is imminent. The applicant will need to submit the original copy during a designated timeframe of extension, in order to rectify the priority document requirement eventually. Only in the event that the applicant did not rectify an error within the designated timeframe, will TIPO deem that a priority claim has not been made.

To conclude, the SAC vacated the IP Court judgment, which affirms that a foreign filing receipt is not able to replace a priority document.

Electronic Priority Document

On a side note, TIPO has been accepting electronic copies of priority documents since June 2016, in an effort to relieve the burden placed on an applicant regarding the requesting and delivery of paper copies. Furthermore, Taiwan has reached bilateral agreements for priority document exchange (PDX) programs with Japan in 2012 and with Korea in 2016. As such, the access and transfer of priority documents are much easier than in the past.

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