

This article was published in the *International Law Office IP Newsletter* on January 27, 2014.

Intellectual Property - Taiwan New Patent Act and enforcement rules

Contributed by Lee and Li Attorneys at Law

The Legislative Yuan completed the amendment to the Patent Act on November 29 2011. The amended provisions were promulgated by the president on December 21 2011 and took effect on January 1 2013. To cope with the implementation of the amended act, its enforcement rules were also amended and took effect simultaneously on January 1 2013.

Enforcement rules

The structure of the enforcement rules has been rearranged to include six chapters:

- General Provisions;
- Application for and Review of Invention Patent;
- Application for and Review of Utility Model Patent;
- Application for and Review of Design Patent;
- Patent Rights; and
- Supplementary Provisions.

Relevant provisions are provided under the chapters. It is stipulated that the provisions under the invention patent chapter apply *mutatis mutandis* to similar matters for utility model patents and design patents.

Special appointment

An agent has the authority to conduct all actions provided that the actions are within the appointment scope. However, without special appointment to do so, an agent must not:

- appoint an agent or discontinue such an appointment;
- withdraw a patent application;
- withdraw a divisional application;
- withdraw a conversional application;
- withdraw an application for reexamination;
- withdraw an application for correction;
- withdraw a petition for patent invalidation; or
- abandon a patent right (Article 10 of the amended rules).

Patentability requirements

To cope with changes to the patentability requirements under the amended act, provisions regarding the date – based on which patentability requirements are determined – and definitions (eg, 'publication' or 'persons having ordinary skills in the art') are explained.

An absolute novelty requirement is required in Taiwan. Before the amendment of the act, if any of the specific events prescribed in the act (including public disclosure made for research or experimental purposes, public disclosure made at a trade show sponsored or recognised by the government and public disclosure made against the will of a patent applicant) occurs before patent filing, the novelty would not be affected by the event, provided that a Taiwanese patent application is filed within six months from the date of the event. According to the amended act, "publication made based on the will of an applicant" would become another exception for enjoying the six-month grace period for novelty determination. Under the act, all events with a six-month grace period shall apply not only to the novelty

requirement, but also the inventive step requirement (for inventions and utility models) and creativeness requirements for designs (Articles 22 and 122 of the amended act).

According to the rules, the term 'before patent filing' (Articles 22 and 122 of the act) refers to 'before the priority date' if an international priority claim or a domestic priority claim is made. The term 'publication' refers to documents or other storage media stored with information that is accessible by the public (Articles 13 and 46 of the rules).

The term 'persons with ordinary skills in the art' (as used when discussing the disclosure of specification, inventive step or creativeness and the deposit of biological material) refers to those with ordinary knowledge and common skills in the field of the concerned technology at the time "when the concerned patent application is filed". The term 'when the patent application is filed' refers to the priority date if international or domestic priority is claimed (Articles 14 and 47).

For a person who obtains the right to apply for a patent due to inheritance, assignment, employment or engagement, Article 22(3) of the amended act shall apply if the concerned publication is made by his or her ancestor, assignor, employer or fund-provider before patent filing. In this event, the applicant may claim for a six-month grace period for the determination of novelty and inventive step or creativeness requirements (Articles 15 and 48).

Written patent-related applications

According to the amended rules, the formality of written applications (transmittal letters) used for filing invention and design patent applications, filing divisional patent applications, applying for amendment, applying for rectification, applying for correction or filing an invalidation action has been revised or newly created. The rules also specify matters that should be detailed in each kind of written application and supporting documents (Articles 16 to 23, 28, 36, 37, 70 and 72).

Where an applicant claims for a six-month grace period based on any of the prescribed events for determination of novelty and inventive step or creativeness requirements (including public disclosure made for experimental purposes, public disclosure made at a trade show sponsored or recognised by the government, public disclosure made against the will of a patent applicant or a publication made based on the will of a patent applicant), the applicant must clearly state the claim when filing the patent application. If there are several facts or events which can all be claimed by the applicant in support of the six-month grace period claim, it must clearly state each of the facts or events when filing the application. However, if the facts or events are closely connected with each other, the applicant may state only first fact or event. For a six-month grace period claim made based on two or more facts or events, the grace period shall be calculated based on the date of the first fact or event (Article 16(3) of the amended rules). Similar provisions are stipulated in the rules for design patent applications (Article 49(4)).

The symbols in patent drawings, which correspond to the technical features of a claim, can be cited when expressing the technical features. The symbols should be added in brackets after the corresponding technical features. When interpreting claims, the symbols should not be used to limit the scope of claims (Article 19(2)).

To enhance the quality and efficiency of patent examination, the following items should be disclosed in a written application for amendment or correction:

- the pages, paragraphs and lines of the amended or corrected parts together with the reasons for amendment or correction;
- for amendment of claims, the claims to be amended or corrected together with the reasons for amendment; and
- for amendment of drawings, the number of the drawing to be amended or corrected together with the reasons for amendment (Article 36(2) and Article 70(2)).

When applying to rectify a specification, claim or drawing due to a translation error, a written application should specify the following:

- the pages, paragraphs and lines of the rectified parts together with the reasons for rectification, as well as the pages, paragraphs and lines of the corresponding parts in the specification prepared in the foreign language;
- for rectification of claims, the claims to be rectified, reasons for amendment and the corresponding number of the claim prepared in the foreign language; and
- for rectification of drawings, the number of the drawing to be rectified, reasons for amendment and the corresponding number of the drawing prepared in the foreign language (Article 37(2)).

For an invention patent application, if the applicant applies simultaneously for rectification of translation errors and amendment of specification, patent claims or drawings, it may file two separate applications for each of the rectification and the amendment. Alternatively, the applicant may file the application by using a "written application for translation error rectification", specifying the matters to be rectified and amended respectively. If the applicant applies simultaneously for rectification of translation errors and patent correction, the rules also apply (Article 38).

Specification

To comply with the formality changes about disclosure requirements as stated in the act, the amended Implementing Regulations state that the required particulars in a specification shall include:

- the title of invention;
- the field of technology;
- prior technologies (including all prior technologies known by the applicant – the applicant may submit relevant information regarding the prior technologies);
- the contents of invention (including problems to be solved, the technical means suitable for solving the problems and the effects of the concerned invention or utility model as compared with prior technologies);
- a brief description of drawings (where there are drawings, a brief description of drawings shall be made in the sequential order of the figures of drawings);
- the methods of implementation (one or more methods of implementing the concerned invention or utility model must be disclosed, which can be alternatively described by working examples, if necessary – where there are drawings, the description must make reference to the figures of drawings); and
- a description of symbols (a list including the major symbols appearing in the drawings with the description of the symbols).

A specification must be drafted in the correct sequential order and include section titles. However, they shall not apply where an invention can be described more clearly in any other way (Article 17(1)).

Missing content

If any content is missing from a specification or drawing, there are principles for determining the filing date, depending on the different characteristics among an invention patent, utility model patent or design patent (Articles 24, 40 and 55).

For an invention patent application where there is partial content missing from the specification or where drawings are missing, if the missing content is supplemented by the applicant, the date on which the missing content is supplemented shall be taken as the official filing date of the patent application. However, under any of the following conditions, the original filing date shall continue to be regarded as the filing date:

- the missing content supplemented to the specification or drawings is included in the earlier filed patent application, based on which priority claim is made for the Taiwanese patent application; and

- the missing content supplemented to the specification or drawings is withdrawn by the applicant within 30 days from the date on which the Intellectual Property Office's (IPO) decision verifying the official filing date is served (Article 24).

For a utility model patent application, where there is partial content missing from the specification or where drawings are missing, if the missing content is supplemented by the applicant, the date on which the missing content is supplemented shall be regarded as the filing date of the patent application. However, the original filing date shall continue to be regarded as the official filing date if:

- the missing content supplemented to the specification or drawings is included in the earlier filed patent application, based on which priority claim is made for the Taiwanese patent application; or
- the missing content supplemented to the specification or drawings is withdrawn by the applicant within 30 days from the date on which the IPO's decision verifying the official filing date is served (Article 40).

For a design patent application, where there is any partial content missing from the specification or drawings, if such missing content is supplemented by the applicant, the date on which the missing content is supplemented shall be regarded as the filing date of the patent application. However, under any of the following conditions, the original filing date shall continue to be regarded as the filing date:

- the missing content supplemented to the specification or drawings is included in the earlier filed patent application, based on which priority claim is made for the Taiwanese patent application; and
- the missing content that is supplemented to the specification or drawings is withdrawn by the applicant within 30 days from the date on which the IPO's decision verifying the filing date is served (Article 55).

Where an invention application, utility model application or design patent application is filed with a specification and drawings prepared in a foreign language, the provisions also apply.

Application

According to the amended act, a patent applicant may apply for patent division of its parent (original) invention patent application within one month of the date on which an allowance decision is issued at the first examination stage. The amended rules stipulate that the applicant should apply for patent division based on the invention that is disclosed in the specification or drawings originally submitted, but that is not covered in the claims allowed for the parent (original) patent application. When applying for patent division, the specification, claims and drawings allowed for the parent (original) patent application shall remain unchanged (Article 29).

Errors

According to the rules, if there is any obvious error in the wording or symbols of a specification, claims or drawings, the IPO may rectify the errors *ex officio* and notify the applicant (Article 35).

Documents

In consideration of the expanded subject matters allowable for design patent protection, the amended rules set forth new requirements for preparing a design patent application, specification and drawings (Articles 49 to 54).

When filing a design patent application, the following particulars shall be expressly indicated in a specification:

- the title of design;
- the usage of the article concerned; and

- a description of design.

The specification shall be drafted in the correct sequential order and include section titles. However, disclosure of the usage of the concerned article and description of design can be omitted if they can be expressed clearly simply by reviewing the title of design or the drawings (Article 50).

The term 'usage of the concerned article' refers to a disclosure that is aimed at helping to explain the usage and function of the article to which the claimed design is applied. The term 'description of design' refers to a disclosure that is aimed at helping to explain the shape, pattern, colour, or a combination thereof, of the claimed design. Under any of the following events, a description of the event shall be included in the 'description of design':

- where the drawings include a part of the design that is not claimed;
- where the claimed design refers to computer-generated icons and graphical user interface applied to an article, which contains continuous and dynamic changes, the changing sequence shall be described; and
- where there are figures omitted because they are identical or symmetrical to the other figures or due to other reasons.

In case of any of the following events, if necessary, a brief description shall be included in the 'description of design':

- where the appearance of the design may change due to the variation in features of materials, functional adjustment or state of use;
- where there are auxiliary figures or reference figures; and
- where a design application is filed to cover a design as a set, the titles of the respective constituent articles should be described (Article 51).

The drawings of a design patent application shall include figures (which could be a perspective, front, rear, left, right, top, bottom, plan, unit or other auxiliary view) which can show sufficiently the views of the design sought to be patented. If the design is three-dimensional, the drawings should include, among other things, a perspective view. If the design is in nature a continuative plane in form, the drawings must include a single unit view. Drawings must be prepared by dark lines, computer printed graphs or photos in accordance with the engineering drawing method. When the figures are reduced to two-thirds in size, all details in the figures must remain discernible. Where colour is to be claimed, the drawings must disclose the colour. The part of the design to be claimed and the part not to be claimed in the drawings should be illustrated in a clearly distinctive way. The figures marked by reference views cannot be used to interpret the scope of design patent rights (Article 53).

The drawings of a design patent application shall disclose the legend of each figure. The perspective figure or a figure that can best represent the design shall be designated as the representative figure. If the representative figure is not designated or is not properly designated, the IPO may instruct the applicant to supplement it within a prescribed time period, or designate it *ex officio* and then notify the applicant of the same (Article 54).

Patent licensing recordation

It is specified in the amended act that the licensing of a patent can be categorised as an exclusive licensing and a non-exclusive licence, and sub-licensing of a patent is allowable under the act. Therefore, the amended rules set forth matters to be specified in the relevant licensing recordation applications, as well as the scope of sub-licensing.

When applying for recordation of patent licensing, a patentee or licensee should prepare a written application together with the following documents:

- the licensing agreement or other evidentiary documents, when applying for recordation of patent licensing;

- the evidentiary documents proving the concerned change, when applying for a change of patent licensing recordation; and
- when applying for removing the recordation of patent licensing, a consent to remove the recordation that is issued by the licensee, court judgment, a certificate of final judgment or other evidentiary documents that have the same effect as a final judgment. However, it is unnecessary to submit any documents if the removal of patent licensing recordation is caused by the expiration of the duration of the patent licensing.

The following matters should be indicated in the licence agreement or evidentiary documents:

- title of invention, utility model or design and its patent certificate number; and
- the category, content, territory and duration of the licensing.

If a patentee only licences a third party to practice a part of its patented claims, the number of the licensed claims should also be indicated in the category of licensing. The duration of the licensing should not exceed the duration of the patent (Article 65).

When applying for recordation of the sub-licensing of a patent, the original licensee or sub-licensee should prepare a written application along with the following documents:

- the sub-licensing agreement or other evidentiary documents, when applying for recordation of sub-licensing of a patent;
- the evidentiary documents proofing the change, when applying for change of a sub-licensing recordation; and
- when applying for removing the recordation of sub-licensing, a consent to remove the recordation that is issued by the sub-licensee, court judgment, certificate of the final judgment or other evidentiary documents that have the same effect as a final judgment.

However, there is no need to submit any document if the removal of patent sub-licensing recordation is caused by the expiration of the duration of patent sub-licensing. Provisions related to matters that must be included in a licensing agreement should apply *mutatis mutandis* for a sub-licensing agreement or evidentiary documents. The scope of patent sub-licensing should be limited within the original scope of the patent licensing (Article 66).

Patent invalidation actions

To cope with the changes regarding patent invalidation (cancellation) practice, the amended rules set forth provisions with respect to:

- claims for patent invalidation;
- procedural requirements regarding consolidated examination of patent correction applications and invalidation actions;
- consolidated examination of multiple invalidation actions;
- decisions on invalidation actions; and
- determination of examination plans.

When filing an invalidation action against an invention patent or utility model patent, in the claim for patent invalidation, a petitioner must specify whether the petition is filed against all claims or a part of the claims of the concerned patent. If an invalidation action is filed against a part of the claims, the claims sought to be revoked should be clearly identified. For an invalidation action filed against a design patent, a petitioner should claim the specific design patent under invalidation petition. In the invalidation reason, a petitioner should state the legal basis for filing an invalidation action as well as the facts, and the petition should also describe the relationship between facts and evidence (Article 72).

Examination and a decision on an invalidation action should be made within the scope of the claim for invalidation. The main text of a decision issued for an invalidation action should state the conclusion of

the decision. The conclusion should be made on a claim-by-claim basis for an invalidation action against an invention patent or utility model patent (Article 73).

Where a patent correction application and invalidation action are consolidated for examination, the IPO should first examine the patent correction application. If the correction application is deemed unacceptable the IPO should notify the patentee and ask it to file a response within a specified time. If the patentee does not file a response in time, or if a response filed does not lead to an allowance of the correction application, the IPO may review the invalidation action based on the original documents on file. In case of a consolidated examination of a patent correction application and an invalidation action, the main text of the invalidation decision issued should indicate conclusions of the patent correction application and the invalidation action separately. However, if it is concluded that a correction application is not allowed, the IPO shall indicate the conclusion only in the reasons of the decision (Article 74).

When the IPO's examination of multiple invalidation actions is consolidated, the IPO should serve each invalidation petitioner and the patentee with the reasons and evidence submitted for each invalidation action. Each petitioner and patentee may provide its opinion or defence reasons in response to the served reasons and evidence within the time period specified by the IPO (Article 75).

During the examination period of an invalidation action, the IPO may, as it deems necessary, coordinate with the petitioner and patentee to form an examination plan (Article 76).

Compulsory licence petitions

To ensure that a licensee of a compulsory licensing grant complies with the local supply requirement (ie, the grant of a compulsory licensing is mainly to supply the demand of the domestic market), it is stipulated in the rules that the IPO shall, in its decision, state that the licensee should disclose the information related to its practice of the patent in an appropriate manner as follows:

- the status of the practice of the compulsory licensing; and
- the volume of the products manufactured and product flow (Article 78).

Invalidation action

After the IPO approves a patent correction application, it will publish the following matters in the patent gazettes:

- the patent certificate number;
- the original publication date of the patent;
- the patent application number;
- the title of invention, utility model or design patent;
- the patentee's name; and
- the correction allowed (Article 84).

After the IPO issues a decision on an invalidation action against a patent, it will publish the following matters in the patent gazettes:

- the number of the invalidation case;
- the title of invention, utility model or design patent;
- the patentee's name and domicile or business address;
- the invalidation petitioner's name and domicile or business address;
- the agent's name, if any;
- the date of filing the invalidation action;
- the main text of invalidation decision; and
- the reasons of invalidation decision (Article 85).

Transitional period

For a patent application filed in accordance with the amended act and rules (ie, filed on or after January 1 2013), the applicant should use the patent application forms as well as the forms for preparing a specification, claims, abstract and drawings, which were announced for use after the amended act and rules took effect. According to the rules, under any of the following circumstances – except for the written application forms (transmittal letter forms) – other patent forms applicable before January 1 2013 can still be used where:

- an invention patent application or utility model patent application was filed on or before March 31 2013;
- a patent application was filed based on a specification and drawings prepared in a foreign language on or before January 1 2013, whereas a Chinese translation thereof was supplemented before June 30 2013; and
- a patent application was filed before January 1 2013 or on or before March 31 2013, and an amendment application or a correction application was filed on or after January 1 2013 (Article 88).

Design patent applications

According to Article 121(2) and Article 129(2) of the act, for a design patent application covering computer-generated icons and graphical user interface applied to an article or a design as a set, which was filed on or after January 1 2013 with priority claim based on a corresponding foreign application filed earlier than January 1 2013, the priority date of the design patent application shall be January 1 2013 (Article 89 of the rules).

For further information on this topic please contact Daisy Wang at Lee and Li Attorneys at Law by telephone (+886 2 2715 3300), fax (+886 2 2713 3966) or email (daisywang@leeandli.com). The Lee and Li website can be accessed at www.leeandli.com.