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## **Intellectual Property - Taiwan IP court should designate how TIPO assists litigants**

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Article 17 of the Intellectual Property Case Adjudication Act (July 1 2008) stipulates that if a litigant (usually a defendant) claims patent invalidity during a litigation, the court can, at its discretion, ask the Taiwan Intellectual Property Office (TIPO) to act as an intervention party to the litigation, in order for the latter to express its views on the validity of the patent. Such intervention is by its nature supportive, and therefore Article 61 of the Code of Civil Procedure should apply, which stipulates that:

"an intervener may conduct all acts of litigation for the supported party according to the phase of litigation at the time of intervention, except for acts that contradict the acts conducted by the supported party."

This means that when intervening in a litigation, TIPO should not only express an opinion with respect to the validity of the patent at issue, but should also assist only one of the litigants – either the plaintiff or defendant.

However, under the existing system, the defendant to a patent litigation may also initiate a cancellation action with TIPO to invalidate the plaintiff's patent. If such action is still pending, TIPO will be put in a difficult situation, as it will be unable to express an opinion on the patent's validity or decide which of the litigants it should assist. Even if no cancellation is pending before TIPO, as a third party to the litigation it is difficult to request that the TIPO examiner should carefully review and study the litigation files, fully comprehend the parties' dispute and give an opinion during the litigation. Given that there has been little benefit from TIPO's intervention in patent litigations, it seems that the IP court has not actively engaged TIPO's help during litigation at the initial stage of its operation.

As a result, on numerous occasions between 2009 and 2011 the Supreme Court has reiterated the importance of "TIPO's intervention in a litigation" (2009-Tai-Shang-2373, 2010-Tai-Shang-112, 2011-Tai-Shang-480, 2011-Tai-Shang-1013 and 2011-Tai-Shang-986). In particular, TIPO's intervention in litigation deserves consideration where it has rejected a cancellation action and the court has leaned towards overturning TIPO's position. In 2011-Tai-Shang-986, the Supreme Court even pointed out that if a cancellation action is pending before TIPO, the IP court should consider whether to seek TIPO's professional opinion after the cancellation action becomes final.

As the Supreme Court has reiterated this principle in its judgments, it appears that the IP court has tended to order TIPO to intervene in patent litigation to avoid any procedural defects. However, it remains difficult for TIPO to express any opinions on patent validity. Even if TIPO is ordered by the court to intervene in the litigation, the intervention is no more than a formality, with little substantive effect. More specifically, the requirement for "TIPO to assist a litigant" provided in the Intellectual Property Case Adjudication Act has become superfluous. In 2013-Tai-Shang-1800 (September 25 2013) the Supreme Court gave specific instructions on the improvement to be made by the IP court.

According to the Supreme Court's decision, when ordering TIPO to intervene in a litigation, the IP court should expressly state the litigating party to be assisted by TIPO so that TIPO can follow the instruction and submit appropriate arguments. The Supreme Court pointed out that the IP court's failure to specify which party TIPO should assist, or to request TIPO to express which party it would like to assist, runs counter to the legislative intent of the act. The Supreme Court has also criticised the IP court's listing of TIPO as an intervention party of the defendant without performing the procedures in advance.

It remains to be seen whether the Supreme Court's view will cause procedural confusion with respect to TIPO's intervention. Doubts are obviously related to the circumstances under which the IP court can order TIPO to assist the plaintiff to secure patent validity, and situations under which the court can order TIPO to assist a defendant to support its position of the invalidity of a patent. This would be particularly difficult if a cancellation action to be heard by TIPO had not yet concluded.

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