This article was published in the *International Law Office IP Newsletter* on September 19, 2016.

Intellectual Property, Taiwan

Courts can discover secondary evidence not provided by invalidation petitioners

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Introduction

In Taiwan the principle of disposition is applied in both administrative and civil lawsuits with respect to the scope of the subject of litigation and the initiation and withdrawal of litigation. However, investigation in administrative and civil lawsuits is different. In civil lawsuits, the principle of party presentation is adopted and the litigation material forming the foundation of court decisions is limited to the statements and claims of the parties concerned. Administrative lawsuits mainly follow the principle of authority investigation according to Article 125(1) and Article 133 of the Administrative Litigation Act. The court can still access relevant information on its authority, even though the parties concerned do not provide it, and the court's authority is not bound by the scope of the allegation which has been made by the parties.

Patent Act

However, in administrative lawsuits regarding patent validity disputes, scholars often consider that the principle of disposition should be adopted and that the parties concerned should bear the burden of proof for their claims, since such disputes are private by nature and involve fewer pro bono characteristics. The Patent Act provides that the cancellation petitioner must present the cancellation reasons and evidence (eg, Article 73 of the act). In Judgment 1999-Pan-3748, the Supreme Administrative Court clearly stated that "the Principle of Disposition applies to patent disputes, and the parties concerned should bear the burden of proof". While in Judgment 2011-Pan-952, the court further explained that "the Principle of Disposition is adopted in patent invalidation cases, and the court should examine the case based on the reasons and evidence provided by the invalidation petitioner". Moreover, in Judgment 2013-Pan-385, the Supreme Administrative Court elaborated that the administrative court can "investigate on its authority" only the facts and evidence "within the scope of the known facts, the claims of the parties concerned, and information in the case files".

Administrative litigation

In administrative litigation over patent validity disputes (ie, the cancellation action under the Patent Act), evidence should be submitted by the parties concerned and the administrative court can conduct investigations on its authority only within the scope of the claims made by the parties concerned. The administrative court cannot explore or uncover by itself facts and evidence that are not claimed or petitioned by the parties concerned and thus unknown by the court. However, the Supreme Administrative Court seems to have revised this view in Judgment 2016-Pan-41 (January 28 2016) to affirm that the administrative court may investigate solely on its authority the secondary or supplementary evidence relating to the evidence provided by the parties concerned.

The reason for this judgment is as follows:

> *"In a patent cancellation case, to judge whether the patent at issue should be invalidated, the administrative court should, based on the Principle of Disposition, review only the reasons for invalidation claimed by the cancellation petitioner and the evidence he/she provides. However, this does not mean that, in addition to the invalidation evidence, the court cannot investigate the secondary evidence associated with the facts on the same ground. This is because an administrative litigation on patent disputes has a pro bono benefit to promote industry development, and private benefits are not the sole concern in determining invalidation of a patent. The secondary evidence can be used to reinforce the admissibility and credibility of the existing evidence. When the credibility of evidence provided by the cancellation petitioner cannot*

convince the court to obtain defined conviction, the court can conduct an ex officio investigation on the secondary evidence relating to the invalidation evidence to discover the truth."

In that case, the patent at issue concerned the manufacturing method of calcium silicate board, comprising 10 steps:

- raw materials;
- waste silk;
- combed cotton;
- convolution cotton conveying;
- needle mat;
- convolution;
- gluing;
- compression forming;
- cutting; and
- packaging.

However, in the prior art reference raised by the cancellation petitioner, there were only six disclosed steps:

- raw material;
- combined cotton;
- needle mat;
- gluing;
- compression forming; and
- cutting.

No relevant information regarding the other four steps was mentioned. The IP Court investigated related prior art based on its authority and found two pieces of secondary evidence not provided by the concerned parties. It determined that the four steps not disclosed in the prior art reference belonged to common knowledge clearly known to the public in that field at the time when the patent was filed based on said secondary evidence, thereby concluding that the patent at issue lacked inventive step.

Supreme Administrative Court

Although the patentee appealed, the Supreme Administrative Court affirmed that it was legal for the original court to investigate evidence by its authority from the viewpoint of professional textile knowledge within the scope of the same cancellation evidence and to disclose its primary opinion in advance for the parties concerned to present their opinions according to Article 8 of the Intellectual Property Case Adjudication Act, applying mutatis mutandis to Article 34.

Comment

These opinions show that the scope of administrative investigation for patent invalidation cases has been expanded in legal practice. For secondary evidence relating to the facts on the same ground, although the parties concerned do not provide it, the administrative court can still investigate such evidence according to its authority to determine if it is common knowledge known to the public in the field at the time when the patent was filed. However, evidence must be disclosed in advance to the parties for debate, which can then serve as a foundation for the decision. However, if this view becomes common among the administrative courts in patent invalidation cases, it would appear contrary to the privatenature of patent invalidation cases.

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