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Investigating technical evaluation reports of utility model patents

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Utility model patent applications

A patent application for a utility model can be granted without any prior art search or substantive examination, provided that the formality examination criteria are fulfilled; utility model patents enjoy relative flexibility compared with invention patents and design patents, which are subject to substantive examinations. The Patent Act therefore sets out a technical evaluation report of utility model patent system. Any person may file a request with the Taiwan Intellectual Property Office (TIPO) for a technical evaluation report after a patent application for a utility model is published. TIPO then issues the technical evaluation report with respect to its patentability, including its novelty and non-obviousness (Article 115 of the Patent Act). To prevent right abuses by the patentee of a utility model patent, the Patent Act also provides that:

- when exercising a utility model patent, the patentee must not issue a warning without presenting the technical evaluation report; and
- where a utility model patent is later invalidated, the patentee will be liable for the damages suffered by the opposing party due to the patentee's exercise of the utility model patent right before its invalidation, unless such exercise is based on the content of the technical evaluation report and carried out with due care (Articles 116 and 117 of the Patent Act).

However, what would happen if TIPO finds in favour of the patentee, stating in its technical evaluation report that the utility model patent at issue has no unpatentable matters (eg, lack of patentability), but then in later patent invalidation proceedings announces that the utility model patent is to be invalidated? Should the IP Court, during administrative litigation proceedings, investigate the technical evaluation report and examine the differences between its conclusions and the patent invalidation results, or would the court's judgment be deemed to lack reason and thus violate the law?

IP Court authority

The Supreme Administrative Court negated the abovementioned claims made by the patentee in its 2016- Pan-No.618 judgment on November 24 2016. According to the court, the IP Court has the authority to examine and determine patent validity. In accordance with the System of Administrative Litigation Events, if the IP Court holds that evidence and materials provided by the parties have successfully resolved the patent validity dispute, its judgment – though different from that made by the original government agency (ie, TIPO) or the agency responsible for administrative appeals (ie, the Ministry of Economic Affairs) – should not be found to contravene the law. Therefore, if it has elaborated on its analysis process and judging grounds for a lack of non-obviousness of the disputed patent, it would be sufficient to imply that its judgment has disregarded the technical evaluation report conclusions. The fact that the IP Court did not expressly indicate that the technical evaluation report was inadmissible, and did not invite the parties involved to express their opinions about the report, did not constitute a violation of the laws and regulations or a groundless judgment.

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