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Adding new invalidation reason in patent invalidation administrative proceedings based on same evidence

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Introduction

According to Article 73(4) of the Patent Act, the reasons and evidence for an invalidation action must be provided before rendering a decision. Therefore, in principle, a patent invalidation requester may not supply additional invalidation evidence or invalidation reasons during the administrative appeal phase or administrative litigation proceedings.

However, Article 73(4) also provides that the patent invalidation requester may file another invalidation action against the same patent based on new evidence that was not presented in the administrative litigation after the final and binding administrative judgment – thereby triggering another administrative litigation procedure.

To avoid repeated administrative litigation procedures, Article 33(1) of the Intellectual Property Case Adjudication Act stipulates that the IP Court must consider any new evidence submitted on the same invalidation reasons before the end of the oral debate proceedings. However, Article 33(1) merely relaxes restrictions on the timing of presenting invalidation evidence and not the timing of presenting invalidation reasons.

Since the Intellectual Property Case Adjudication Act came into effect in 2008, Article 33(1) has remained unquestioned. However, the IP Court loosely construed the provision in Judgment 2016-Xing-Zhuan-Su-60, delivered in April 2017.

Facts

The case involved a patent invalidation requester, who claimed in the invalidation phase that the patent at issue lacked an inventive step over a combination of Evidence A and Evidence B. In the subsequent administrative litigation proceedings, the requester added that the patent at issue lacked novelty over Evidence A.

IP Court ruling

The IP Court held that the Taiwan Intellectual Property Office had examined the entire technical content of Evidence A during the invalidation phase, and thus the added claim did not affect the patentee's right or delay the litigation.

As it is common to examine the novelty of a patent before determining whether it lacks an inventive step, the added claim was deemed to be a transfer and downgrade of the arguments on the patentability of the patent at issue. Further, the requester did not present new evidence. Therefore, there was no need to consider any interactive and synergistic effects among the evidence and the scope of the trial could be narrowed.

The IP Court permitted the requester to add the claim for novelty based on Evidence A.

The IP Court's ruling increases the permissibility of additional issues in administrative litigation proceedings of patent invalidation actions and is significant where the following are considered:

- the identity of evidence;
- the hierarchical relationship between the elements of novelty and inventive step in the process of patent examination; and

- the pursuit of a litigation system that solves disputes once and for all.

Supreme Administrative Court ruling

The IP Court's assessment was countered by the Supreme Administrative Court in Judgment 2018-Pan-36 (January 18 2018). The Supreme Administrative Court ruled that the added claim for novelty was not permitted under Article 33(1) of the Intellectual Property Case Adjudication Act because novelty and inventive step are considered different elements for patentability with different requirements under the Patent Act. Thus, as novelty and inventive step must be considered different reasons for patent invalidation, the new reasons could not be added in this litigation.

Comment

In light of the above judgments and in accordance with the requirement set out in Article 33(1) of the Intellectual Property Case Adjudication Act, in order to avoid similar procedural disputes, patent invalidation requesters should prudently assess invalidation reasons to prevent any legal risks following late invalidation reason submissions.

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