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This news mail distributed in Japanese and English from time to time provides updates on the development of law in Taiwan with focus on intellectual property rights law. For more information about the status of intellectual property right protection and practice in Taiwan, please visit our website www.tiplo.com.tw

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01 Innolux Corporation sued China-based HKC companies for patent infringement

On February 12, 2018, Innolux Corporation ("Innolux") filed 17 patent infringement lawsuits with Guangzhou Intellectual Property Court and Ningbo Intermediate People's Court against Chongqing HKC Optoelectronics Technology Co., Ltd. ("Chongqing HKC Optoelectronics"), Hefei HKC Jinyang Technology Co., Ltd. ("Hefei HKC Jinyang") and their distributors.

According to Innolux, Chongqing HKC Optoelectronics, without due authorization, had been engaged in manufacturing, selling LCD panel products that infringe upon 17 patents owned by Innolux, and also supplying these panel products to Hefei HKC Jinyang for the latter company's production of HKC TV sets No. H32L1 and H32S2 or other display devices. The foresaid TV sets have been distributed in large quantity online and in brick-and-mortar stores in China.

In view of the foregoing, Innolux demanded that Chongqing HKC Optoelectronics and Hefei HKC Jinyang immediately cease their infringing activities to avoid infringement reoccurrence and also cease in manufacturing infringing products and destroy inventory and manufacturing equipment, so as to put an end to HKC companies' infringement. (February 2018)

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E180213Y1 02 TIPO and EUIPO ink MOU for IPR cooperation

On January 12, 2018, TIPO and EUIPO (European Union Intellectual Property Office) signed an MOU for bilateral IPR cooperation, unveil a new chapter for two sides' IPR cooperation. TIPO and EUIPO join hands to promote cooperation in such areas as integration of information tools, personnel training, expert meetings, and optimal harmonization of practices. Both sides will also exchanges opinions with respect to international IPR issues and their respective reformation of IPR-related laws and practices, so as to reinforce IP mechanism and services.

The EU has been Taiwan's important trading partner for a long period of time. There have been steady case numbers of trademark and patent applications filed by Taiwan applicants with EUIPO (604 trademarks applications and 677 community design applications in 2016) or filed by EU applicants with TIPO (3,556 trademarks applications and 1,149 design patent applications in 2016) in recent years. The number of design patent applications has an apparent growth in particular. Under this MOU, TIPO and EUIPO will strengthen their mutual understanding and cooperation to bring about substantial benefits to applicants and industries on both sides. In addition, through mutual cooperation on all aspects, TIPO and EUIPO will also develop a more solidified partnership to create a well-rounded environment for IPR protection and provide better services to applicants. (February 2018)

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E180205Y1

Taiwan IPO releases statistics of patent applications and grants for 2017

Taiwan IPO released the statistics of patent applications filed and patent grants in 2017. Among the overall applications for all three kinds of patents (applications for invention, utility model, and design patents), TSMC tops the list of applications filed by local firms with 937 applications, while China's Alibaba Group heads the list of those filed by foreign entities with 762 applications. As to the ranking of grants of all three kinds of patents, Hon Hai Precision Industry Co., Ltd. and Intel each claimed the top honor on the list of patent grants to domestic and foreign applicants with 756 grants and 968 grants, respectively.

According to the TIPO's statistics, TSMC is the domestic applicant that has been filing more and more applications to reach its record high number in 2017 and remain at No. 1 position. At the same time, Hon Hai Precision Industry Co., Ltd. outnumbered Industrial Technology Research Institute with 485 patent applications to bounce back to No. 2 in 2017. MediaTek Inc. (349 applications) and Microjet Technology (251 applications) saw their respective increase by 6 and 1.5 times year on year, thus joining the top 10 list. Far East University was the only university named on the top 10 list with 205 applications. On the list of applications filed by foreign companies, China-based Alibaba Group filed a total of 762 applications, seeing its nearly 6 times yearly growth to head the list for the first time, and showing its aggressive patent deployment in Taiwan. The third place went to US-based Qualcomm Inc. which filed 604 applications and saw its growth at 48%. Besides, Guang Dong *OPPO* Mobile Telecommunications came in at No. 7 with 323 applications, representing an 11% growth and making its debut on the top 10 ranking.

TIPO conducted analysis by the structure of the overall patent applications filed in 2017. The result shows that local business entities are mainly responsible for Taiwan's innovative force and most of the 2017 applications were filed for invention patents with an yearly increase by 24% in invention patent applications and by 21% in utility model patent applications. (February 2018)

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Taiwan IPO presents statistics of patent and trademark applications in 2017

According to TIPO's patent and trademark applications statistics report, TIPO had received a total of 73,791 applications for invention, utility model, and design patents in 2017, which represent a 2% yearly increase. Among the overall patent applications, those for invention patents grew by 5%. The same growth occurred to trademark applications to reach a new peak for the past five years with a total of 83,802 applications filed in 2017.

Breakdown by nationality of patent applicants, the overall patent applications in 2017 comprised 40,835 cases filed by Taiwan nationals and 32,956 cases by foreign nationals, both of which saw a minor increase from 2016. Among the applications filed by Taiwan nationals, those filed for invention patents amount to 18,199 cases, accounting for the biggest increase by 8% in a year. Foreign nationals' applications also grew in those for invention patents at 27,923 cases and those for utility model patents at 1,206 cases, both of which rose by 4% in a year, while there had been

3,827 applications filed by foreign nationals for design patents in 2017. On the other hand, if analyzed by country (region), Japan continued to win the crown in filing the most applications for all three kinds of patents in Taiwan with 13,850 applications, followed by the US with 7,312 applications and China with 2,674 applications.

In trademark, if analyzed by nationality, trademark registration applications filed by Taiwan nationals totaled 61,215 cases, while those filed by foreign nationals, 22,587 cases in 2017, representing their respective growth at 6% and 4% from 2016. Besides, analysis by filing countries (region) shows that China stayed firmly at No. 1 both in number of applications and growth rate with 4,830 applications and a 13% rise. Japan surpassed the US to snatch the second spot by filing 3,892 applications at a 6% increase rate, while the US moved down with 3,684 applications. It is noticeable that four of the top five filing countries are located in Asia, which indicates that their active trademark portfolios in Taiwan.

Thanks to TIPO's implementation of accelerated examination measures, management of examination efficiency, and also the PPH pilot programs with other patent offices, the average first office action pendency for invention patent applications are shortened to less than 9 months, and the total disposal of trademark applications now takes only around 5 months, the lowest point for the past five years. Also, pending applications are down to about 44,000 and 46,000 cases. (February 2018)

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E180208Y2 E180208Y4

05 IP Court acquits local company in Fair Trade Act violation case initiated by leading real estate agencies

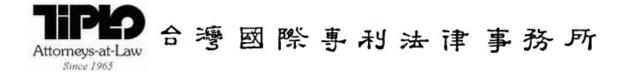
Taiwan's top ten real estate agencies, including Yung Ching Rehouse Co., Sinyi Realty, H&B Business Group, Chinatrust Real Estate Co., Ltd., Century 21 Real Estate LLC., jointly initiated an action against Oaks Technology Corp. (hereinafter "Oaks") over Oaks' suspected violation of Taiwan Fair Trade Act and Taiwan Trademark Act, asserting that the "price comparison" and "call for broker's help" services provided on the "Ubee housing price comparison" website and app designed and established by Oaks based on "sharing economy" concept has affected the rights and interests of other real estate agencies. Taiwan IP Court decided on this case in favor of Oaks.

According to the IP Court judgment, Oaks has been put in manpower and material resources to design the "Ubee-housing price comparison" website and "Ubee-housing price comparison" app, by which users may make choices by setting up conditions to search and link to the sorted and accessible public information maintained by the ten leading real estate agencies. The function performed by the "Ubee-housing price comparison" website and "Ubee-housing price comparison" app has no difference from that provided by general web search engines.

In addition, the two Chinese characters "屋比" and device thereof that represent the "Ubee-housing price comparison" website and "Ubee-housing price comparison" app are apparently different and distinguishable from the name and device of the ten leading real estate agencies; that is to say, Oaks is not engaged in deceptive act that would mislead consumers by actively hiding or passively concealing important trading information. Besides, on the webpage of the "Ubee-housing price comparison" website and "Ubee-housing price comparison" app, the trademarks of the ten leading

real estate agencies are represented in print type and put in black oval frame and also with an arrow sign, "\rangle", which means "link to", and consumers will link to the ten leading real estate agencies' company websites by clicking on the arrow signs. The IP Court held that Oaks' use of these companies' trademarks constitutes reasonable use and will not cause consumers confusion. (February 2018)

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