

## TIPLO News AUGUST 2023 (E280)

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 <a href="https://www.tiplo.com.tw">www.tiplo.com.tw</a>

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01 TIPO sets to establishing guidelines on generative AI to avert IP rights dispute

The arrival and meteoric rise of AI technology have not only created opportunities but also posed legal challenges to intellectual property rights protection. For establishing the guidelines for users to follow and to pay heed to potential infringement risks, Taiwan IPO has embarked on the thorough discussions on the concerns about copyright and patent right issues raised by generative AI and also about the reasonable scope of use of AI training data.

Taiwan IPO comments that AI technology is still in its early stage in terms of the following questions: Whether the data on which AI system is trained is copyrighted works of others, whether use of such works is duly authorized, or whether sublicensing to consumers for business purpose is permitted. Before these questions can be specifically answered, Taiwan IPO suggests that users should make use of AI generated content simply for entertainment or for personal use to avoid unnecessary legal disputes. In addition, in view of the possible violation of reproduction right and distribution right, use of handouts or textbooks provided by cram schools or tutoring institutions also needs discretion even though these handouts or textbooks are not published or sold.

Currently natural persons and juristic persons are entitled to Copyright Act protection, while Al-generated images or text, in principle, are not eligible for such protection. The exceptional circumstance qualifying such images or texts for legal TIPLO News August 2023 (E280)-page 1

protection is that their creators use AI as a tool and such images or texts are the result of human thoughts and contributions.

The issues about the development of AI algorithm and right attribution of AI generated content have been discussed mainly in three aspects, which are the patentability and copyrightability of AI generated content, the scope of reasonable use of the data on which AI system is trained, and businesses' reinforcement of trade secrets protection. Taiwan IPO is currently seeking to know people's concerns and feedbacks on AI application as the basis for formulating and establishing guidelines or Q&A on AI-related copyright issues for people's reference. (Released 2023.07.16)

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## **02** TSMC inaugurates its global R&D Center, forging a new hub for leading-edge technology

TSMC (Taiwan Semiconductor Manufacturing Company Limited) held an inauguration ceremony for its global Research and Development Center (the "R&D Center") in Hsinchu, Taiwan on July 28, 2023.

The R&D Center will serve as TSMC's new hub for R&D organization with researchers stationed there to develop TSMC's 2-nanometer process technology and beyond and to search after novel materials and also to research into the field of transistor structures.

The R&D Center has a total floor space of 300,000 square meters, designed as a green building with features including green walls, rainwater collection tanks, windows that maximize natural light, as well as rooftop solar panels capable of generating 287 kilowatts at peak conditions, which demonstrates TSMC's long-term commitment to sustainability. (Released 2023.07.28)

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