



TIPLO News

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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 Three individuals prosecuted in trade secrets theft case between two local travel platforms, KKday and Klook

In the trade secrets dispute between two local travel platforms, KKday and Klook, Taipei District Prosecutors Office prosecuted CHEN Jun-Yang, CHEN Bo-An, and SUN Yi-Fen for violating the Trade Secrets Act. In this case, CHEN Jun-Yang, who took up a new position as the senior vice director of Klook after his employment at a locally well-known traveling platform, KKday as a product manager, was charged with the offense of gathering KKday's internal information and the vulnerabilities of KKday's internal system and providing them to CHEN Bo-An and SUN Yi-Fen at Klook, KKday's rival in the same trade.

According to the prosecution's findings, CHEN Jun-Yang (hereinafter "Chen"), during his employment at KKday, was clearly aware of the competitive relation between KKday and Klook and also knew that KKday's supplier back-end system maintained confidential information and trade secrets with economic value, including the information regarding KKday's product items, quantities, period of sale, amount of cost, amounts of orders and total amounts, order analysis, etc. of KKday's external sales. Chen, however, divulged such information and trade secrets, including the vulnerabilities of KKday's internal system, employee accounts, and default passwords, to CHEN Bo-An and SUN Yi-Fen.

CHEN Bo-An and SUN Yi-Fen were suspected of illegally accessing to KKday's supplier backend system since January 11, 2021 with the account numbers and default passwords provided by Chen and then stealing relevant trade secrets to formulate a plan to improve Klook's supplier system based on the stolen information and present the plan to Klook's senior management.

KKday later found that their trade secrets, such as, the names of their cooperative vendors, were stolen when conducting information security audit on November 30, 2021. Thus, following their extensive investigation, KKday filed a report to the information security division of Investigation Bureau of Taiwan in April 2022. The said division worked with KKday to examine the records of connection to KKday's internal system and found Chen's suspicion, and therefore, conducted search and questioned Chen in September of the same year.

Taipei District Prosecutors Office determined that Chen is suspected of violating Article 13-1, paragraph 1, subparagraph 1 of the Trade Secrets Act by acquiring trade secrets for use by wrongful means, and that CHEN Bo-An and SUN Yi-Fen are suspected of violating Article 358 of the Criminal Code by gaining access into another person's computer by entering the password of another person's computer account and password without reasons. The prosecutors office concluded investigation on this case and prosecuted Chen, CHEN Bo-An and SUN Yi-Fen each accordingly. (Released 2024.01.18)

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02 Epistar announces resolution of patent lawsuit against Amazon

ENNOSTAR Inc. ("Ennostar") recently announced that its subsidiary, EPISTAR Corporation ("Epistar"), on January 23, 2024 agreed to reach a settlement of the patent lawsuit against Amazon.com, Inc. ("Amazon") pending at the U.S. District Court for the Western District of Texas. Under the undisclosed terms of the settlement, Epistar has agreed to withdraw the lawsuit by the reason that the goal of protecting its

LED technologies has been achieved. This is the first time that Epistar filed a lawsuit for its backlight products. After this, Epistar will remain committed to actively issuing relevant warnings and filing lawsuits to safeguard its IP rights.

In this patent lawsuit, Amazon was sued by Epistar for selling, without Epistar's authorization, the televisions of 43 inches, 50 inches, and 4 series and those of the Omni series and thus infringing the LED patents including the U.S. patents nos. 7,705,344, 9,530,934, 10,199,542, 10,505,076, 9,257,604, 10,181,549, 10,522,715, 9,293,656, 9,893,257, 10,038,129, 8,963,123, 9,425,362, and 7,821,026.

As the leading brand in global LED epitaxy and chip supply, Epistar has filed this lawsuit involving a total of 13 patents covering a wide range of key technologies including patterned substrates, epitaxy, transparent conductive layers, and metal electrodes used in LED backlight modules. (Released 2024.01.23)

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03 Intelligent cockpit patents being pursued worldwide as reported in TIPO's analysis

The automotive industry has developed the concept of "intelligent cockpit" to respond to the growing popularity of 5G network, the arrival of the era of vehicle-to-every (V2X), and the rise of demand for intellectualization and personalization. In order to assist domestic suppliers and manufacturers in keeping pace with the development of smart cockpit technology, Taiwan IPO recently released the "Analysis of Patent Trends for Key Technologies in Vehicle Intelligent Cockpit System" (hereinafter the "Analysis Report"), which provides the analysis of the key technologies of intelligent cockpit system and the trends of patent applications, provides reference materials for establishing the R&D and marketing strategies, with an aim of creating infinite business opportunities for Taiwanese suppliers and manufacturers that are well-experienced in developing information and communication technologies.

Taiwan IPO compiled the Analysis Report mainly from the user's perspective to categorize and analyze the technologies relating to intelligent cockpit system in terms of the four sectors of vision, audio, entertainment experience, and intelligent interaction as summarized below.

1. Vision

With respect to the vision-related technologies, the Analysis Report mainly presents the analysis of the HUD-related (head-up display) technologies. The countries or regions with the highest number of patent applications for such technologies are Japan, the U.S., and China, with these applications having been steadily going upward since 2013, except for 2020 when a slight decrease in the number of applications was observed. Also, according to the statistics, from 2005 through 2022, the top 10 applicants in terms of cumulative patent applications are mostly the traditional automotive manufacturers and automotive parts suppliers.

2. Audio

With respect to the audio-related technologies, the Analysis Report mainly analyzes the technologies relating to voice interaction, acoustic input and output, and acoustic environment. The countries or regions with the highest number of patent applications for such technologies are China, the U.S., and Japan, and the number of patent applications for these technologies had gone upward since 2011 but began to

move down after 2019. Despite the overall decline in the number of patent applications for audio-related technologies, the examination of these technologies by category indicates that the patent applications for acoustic input technologies are still on the rise. Also, the statistics shows that the top three applicants for acoustic input technologies had been Hyundai Motor of South Korea, Mitsubishi Electric Corporation of Japan, and Ford Motor Company of the United States from 2004 through 2022.

3. Entertainment Experience

The Analysis Report with respect to entertainment experience focuses on the technologies regarding traditional entertainment experience and immersive ride entertainment experience that integrates virtual and physical environments. The main origins of the patent applications for these technologies are the U.S., China, and the WIPO, with the number of these applications beginning to rise from 2013 and the rise turning moderate after 2020. Notably, the growth in the applications for the technologies regarding the immersive ride entertainment experience became explosive after 2018. According to the statistics, in addition to traditional automotive manufacturers and automotive parts suppliers, the companies engaging in V2X also break into the top 10 applicants list for these technologies.

4. Intelligent Interaction

The Analysis Report with respect to intelligent interaction focuses on the technologies regarding driver assistance system, sleepiness and fatigue detection system, occupant monitoring system, and alleviation of electric vehicle range anxiety. The main sources of the patent applications for these technologies are China, the U.S., and Japan. The number of patent applications filed for these technologies has been steadily going upward since 2013, except for the slight decrease only in 2022. Apart from the technologies for reduction of range anxiety, the top 10 applicants for these technologies are mostly traditional automotive manufacturers and vehicle component suppliers.

The Taiwan IPO indicated that the patents relating to intelligent cockpit has been growing at a steady pace. Currently, there is no unified standard for these technologies; that is, the inventions that offer personalized, intelligent, and immersive experiences can be applied to vehicles intelligent cockpits. Certain patents for specific technologies are also being pursued by telecommunication companies, in addition to traditional vehicle manufacturers and vehicle component suppliers. Moreover, the Taiwan IPO emphasized that the next few years to come will be the best time and will bring the best opportunity for the domestic telecommunication companies to strive for a share of the market for vehicle intelligent cockpit. It is expected that the industry, the academia, and the research institutions will team up to create prosperity for the automotive industry. (Released 2024.01.04)

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04 Analysis of trend of trademark filings by industry with Taiwan IPO and WIPI 2023 statistics

The World Intellectual Property Organizations (WIPO) published the World Intellectual Property Indicators 2023: WIPI 2023 on November 6, 2023 to make public the data regarding the global trademark filings, number of registrations, average pendency times for first office action and final decision, statistics of final decisions, application class count per unit of GDP and application class count per million population of each country throughout 2022. Taiwan IPO released the “Analysis of Trends in Trademark Applications Filed by the Industry from 2018 through 2022” to

present a brief analysis and comparison between Taiwan's data of filings in 2022 and the WIPO 2023 as summarized below.

1. Throughout 2022, the worldwide trademark applications and application class counts substantially decline by 15.7% and 14.5%, respectively, even though the number of worldwide trademark applications filed in 2022 is 3.5 times that of 2008. China's application class count reached above 7.513 million, holding onto the top position and largely surpassing the US, by nearly tenfold, at the 2nd position with 767,000 class counts. In addition, Taiwan's application class count was over 122,000 to rank 18th globally, down one spot from the previous year, while Taiwan's registration class count was 102,000 to come in 18th globally as well.

2. In 2022, Taiwan saw a slight drop in the number of applications and class counts by 1.17% and 0.68%, respectively. Notably, Taiwan experienced an 11.7% rise in the number of trademark applications and also an 11.2% increase in the class count for the past five years.

3. The top four industry sectors of the non-resident filings in Taiwan and of the WIPO trademark filings are the same, and the distributions of the filings for the four industry sectors at Taiwan IPO and the WIPO are quite similar. The four sectors include, in descending order, "Research and technology", "Health", "Clothing and accessories", and "Leisure and education". The non-resident applications filed for the sector of "Health" at the Taiwan IPO strikingly outstripped those reported in the WIPO statistics, which reveals that non-resident applicants place importance on their brand development in that sector in Taiwan.

In spite of the short-term industrial impact and economic recession caused by the COVID-19 pandemic raging from 2019 through 2021, businesses worldwide maintain their sustained efforts and entrepreneurship spirit to seek business opportunities by developing the goods and services resulting from the pandemic, which leads to a surge in global trademark filing activity. With the pandemic winding down from 2022, businesses around the world began to struggle with other crises of high inflation and rise of living cost in economy and also instability in geopolitics. The global economy has not fully recovered to the pre-pandemic level, but there were still nearly 11.8 million trademark applications filed worldwide for more than 15.50 million classes. By contrast, the economy in Taiwan went through less severe impact and has gradually returned to pre-pandemic level. Throughout 2022, there had been a total of 95,000 trademark applications filed for over 120,000 classes, placing Taiwan at the 18th position globally, while the proportion of non-resident applications in Taiwan slightly decreased to 29% of the total applications. (Released 2024.01.25)

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