

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 Taiwan-France PPH program starts as of July 1, 2025

At the 2025 Taiwan-France Economic Dialogue held on May 21, 2025, the Director General of TIPO, LIAO Cheng-Wei and the Director General of the National Institute of the Industrial Property (INPI, France), Pascal Faure, signed a statement of intent on the Patent Prosecution Highway (PPH) between TIPO and INPI, with the signing process witnessed by HAO Pei-Chih, Taiwan's representative to France and Franck Paris, the director of the French Office in Taipei. The Taiwan-France PPH has officially taken effect as of July 1, 2025, marking a major milestone of Taiwan-France collaboration in the IP field.

The PPH program is a mechanism that expedites both offices' patent examination process by sharing examination results and search reports, thus reducing duplicative work of examination and further enhancing examination efficiency and quality. The Taiwan-France PPH will assist enterprises in securing patents quickly and streamlining their global patent strategies.

Since establishing its first PPH program with the USPTO in 2011, the TIPO has successively entered into PPH agreements with Japan, Spain, South Korea, Poland, and Canada. France is Taiwan's 7th partner of PPH collaboration, and Taiwan's global PPH network has been expanded accordingly. According to the TIPO's statistics, the average pendency for a first office action under PPH program is 4.4 months, which is much shorter than and represents a significant improvement to the 14.15 months required by regular examination process.

Director General Liao stated that with the bilateral trading amount of USD6.538 billion, France is Taiwan's 18th largest trading partner in 2024, the 3rd largest trading partner in the European Union, and also a vital economic and trade partner for Taiwan in Europe. The Taiwan-France PPH collaboration establishes a friendlier transnational patent application environment, in which enterprises may secure patents more promptly to win market advantages. In the future, the TIPO and the INPI will continue to strengthen their cooperation and work together to ensure a robust IP protection environment that meets the needs of enterprises of both countries and supports industrial development. (Released 2025.05.21)

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02 Three former Inventec executives sentenced for trade secrets infringement

Inventec Corporation ("Inventec") sued three of its former executives, who are JIANG Ying-Fan (hereinafter "Jiang"), ZHU Jun-Hao (hereinafter "Zhu"), and WU Zhong-Hui (hereinafter "Wu"), for breach of confidentiality agreements after the three individuals joined Compal Electronics, Inc. ("Compal") in 2017. In 2018, the Taipei District Prosecutors Office prosecuted the three defendants and Compal and then convicted them of violation of Trade Secrets Act on May 21, 2025. Jiang and Zhu were sentenced to 30 months and 16 months in prison, respectively, for the offense of knowingly disclosing the trade secrets possessed by others through unauthorized reproduction as defined by the Trade Secrets Act, while Wu was sentenced to 6 months in prison, convertible to a fine of TWD180,000, for infringing another's economic rights through unauthorized reproduction as defined by the Copyright Act. Compal was fined TWD200,000 for violating the Copyright Act.

As to the incidental civil action also initiated against the three defendants, Jiang, Zhu, and Wu each should pay Inventec damages in the amounts of TWD3.2 million, TWD300,000, and TWD100,000, respectively. The court also ordered that the three defendants and Compal should delete and destroy the relevant trade secrets they each held and be prohibited from

retaining, using, modifying, or disclosing, communicating, or transferring the trade secrets to any third persons by any means, or otherwise making them known to or available for use by any third party.

According to the prosecutor's findings, Jiang and the other two defendants were all former senior executives at Inventec, who had authorized access to the confidential documents regarding high-end server production and had signed non-disclosure agreements with Inventec. They, however, successively left Inventec and joined Inventec's rival company, Compal between September 2017 through March 2018. According to Inventec's criminal complaint, before he left Inventec, Jiang transferred 12 trade secrets including production and shipment forecast information, production capacity, defect rates, cost and quotation analysis, product testing plan, production line technology, fast boundary scan technology, to a Chinese national working as an HR assistant at Compal. Zhu, in three days after joining Compal, obtained the files of Inventec's technical trade secrets from Compal's Chinese employee, Zhang, who previously worked at Inventec, and then forwarded these files to Compal's procurement supervisors and staff by email via Compal's email system. Moreover, prior to his resignation, Wu forwarded to Jiang the files containing Inventec's technical trade secrets he got access to due to his position at Inventec via his personal email box.

The Taipei District Court determined that Jiang, Zhu, and Wu each should receive prison sentences ranging from 6 months to 2.5 years for the offense of disclosing Inventec's trade secrets without authorization or infringing Inventec's economic rights, and all of them denied the offenses they were charged with and failed to reach a settlement with Inventec. In addition, Compal was fined in an amount of TWD200,000 based on the court's finding that neither Compal's representative nor relevant supervisors had expressly or implicitly instructed Jiang and Zhu or instigated them to commit copyright infringement; the court determined that the acts were committed on personal basis. This case is appealable. (Released 2025.05.21)

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03 To advance sovereign AI, NIAR partners with NVIDIA, AMD to establish Taiwan Computing Power Alliance

On May 16, 2025, the National Institutes of Applied Research ("NIAR") issued a press release stating that computing power has become the core foundation driving AI development, in response to the rapid expansion and diverse demands of AI applications. For integrating domestic resources and align public-private efforts, the National Center for High-Performance Computing ("NCHC") under NIAR initiated the formation of the "Taiwan Computing Power Alliance", by collaborating with leading computing power providers and application stakeholders of Taiwan. The launch ceremony was held recently for the establishment of the Alliance, which aims to strengthen Taiwan's strategic compute infrastructure and enhance its resilience and influence in the global digital competition.

With a vision of forging a public-private collaboration platform and uniting top-tier expertise, the Alliance aims to integrate resources, facilitate exchanges and promote "sovereign AI", and also build an autonomous, credible, and sustainable computing power ecosystem. Supported by the key players including AMD, the Central Weather Administration under the Ministry of Transportation and Communications, Ubilink.AI, WiAdvance, Nvidia, and Hon Hai Technology Group, the NCHC initiates the preparation of the Alliance and presents Taiwan's determination and momentum actions to achieve cross-sector integration.

In the initial phase, computing information exchange and mutual support among the Alliance's members will be a basis for promoting computing power resource sharing and matchmaking. The Alliance will also be devoted to integrating Taiwan's overall computing

power resources to support the development of AI applications and further to expand domestic demand for computing power. In the meantime, the Alliance will also promote sovereign AI development and strengthen the cooperation between the public and private sectors and also reinforce the development and application of indigenous technologies. Looking toward the global market, the Alliance will also support its members with key technologies needed, such as, free and open-source software and cloud interfaces, etc. so as to encourage technology exchange and sharing and enhance the international competitiveness of Taiwan's computing power industry.

The Alliance is a non-corporate and non-profit collaborative platform that welcomes participation from organizations and entities with computing infrastructure, technology application or promotion achievements. According to the charter agreed upon at the Alliance's launch ceremony, the core objectives of the Alliance include (a) integrating and showcasing Taiwan's representative computing power resources and technical service information, (b) building a platform to enhance visibility and foster collaboration among members, (c) supporting the government's strategies in sovereign AI, cloud service, and computing power deployment, (d) promoting broader application of computing power, (e) connecting the diverse demands across the industry, academia, and the public sector, and ultimately (f) elevating Taiwan's visibility and competitiveness in the world.

The official launch of the Taiwan Computing Power Alliance marks a significant step forward in Taiwan's pursuit of sovereign and trusted computing capability, sovereign AI, and global collaboration. Moving forward, the Alliance will continue to expand its membership, recruiting with member consensus the entities that provide high-performance computing, cloud platform resources, or engage in computing power integration, technology development, service promotion or practical application. Additionally, the Alliance aims to broaden its collaborative network, promote resource sharing, deepen technological advancement, and facilitate cross-domain cooperation, to embrace the challenges and opportunities brought by the new AI era. (Released 2025.05.16)

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