

## ► MEASURES ◀

### MOEA to Host Taipei International Invention Exhibition

To promote and encourage innovative research and development, the Regulations Governing the Invention and Creation Award was amended and promulgated by MOEA on December 17, 2003. In order to attract outstanding patented works to participate in the National Invention and Creation Exhibition, the Ministry of Economic Affairs (MOEA) is in the process of conferring with the Taiwan External Trade Development Council (TAITRA) to co-organize a Taipei International Invention Exhibition. It is hoped that this exhibition will foster an environment for patent technology exchange and business ventures with foreign groups, while at the same time create an opportunity to portray the strength of Taiwan's industrial technology development. TAITRA, with its over three decades of experience in trade promotion, will act as the liaison in inviting foreign invention groups or companies to participate in this international event.

### FIRDI Continues to be in Charge of Depository for Microorganism Patent Applications

Prior to applying for an invention patent involving any new species of microorganism(s) or utilization of microorganism(s), the applicant is to deposit the microorganism(s) at a depository entrusted by the Patent Authority and submits a written proof of depository along with the patent application. MOEA announces on January 30, 2004, that the entrusted depository for the year 2004 (January 1 to December 31) shall be the Food Industry Research and Development Institute (FIRDI).

To contact the FIRDI's, write to: 331 Shipin Road, Hsinchu City, or call: (03) 522-3191.

## ► LAWS & REGULATIONS ◀

### BOFT Announces Draft Amendments to Regulations Governing Certificates of Origin

Since the *Regulations Governing Certificates of Origin* entered into force on December 25, 2002, the Board of Foreign Trade (BOFT) has received numerous proposals from relevant issuing authorities and exporters to amend the Regulations to conform

to actual trade practices and management needs. In response to these proposals, BOFT has resolved, after meeting with relevant authorities, to amend provisions related to qualifications for application, procedures for cancellation / re-issuance / replacement of certificate of origin, and standards for fees. The draft amendments to Article 11, Article 15, and Article 19 of the Regulations were announced on February 9, 2004, in accordance with the Administrative Procedure Law for the public to submit further comments. Details of the draft amendments can be found at <http://www.trade.gov.tw/public/930209/WI-0932002025-B.doc>.

### TIPO Announces New CCC Codes for Export Monitoring System for Computer Program Related Products

TIPO announces on January 29, 2004, the new CCC Codes in Appendices 2 and 7 of the Export Monitoring System for Computer Program Related Products for certain commodities. The implementation date for these codes back tracks to December 19, 2003.

DESCRIPTION OF COMMODITIES	C.C.C. CODE
MONOLITHIC DIGITAL INTEGRATED CIRCUITS, WITH MASK-ROM	8542.21.90.91-5
OTHER MONOLITHIC DIGITAL INTEGRATED CIRCUITS	8542.21.90.99-7
MONOLITHIC INTEGRATED CIRCUITS, WITH MASK-ROM	8542.29.90.91-7
OTHER MONOLITHIC INTEGRATED CIRCUITS	8542.29.90.99-9
HYBRID INTEGRATED CIRCUITS, WITH MASK-ROM	8542.60.90.91-7
OTHER HYBRID INTEGRATED CIRCUITS	8542.60.90.99-9
ELECTRONIC MICROASSEMBLIES	8542.70.00.00-4

Note: The commodities listed above are limited to use in computers, printers, or video game consoles with programmed integrated circuits built in.

### Applicants Must Sign Affidavits for Pornographic ODs Upon Exports Beginning January 5, 2004

In accordance with the resolutions reached at the "Domestic Manufacturers Commissioned by Foreign Companies to Produce Pornographic Optical Disks for Exports Coordination Meeting" on December 30, 2003, TIPO promulgated the amendments to the Directives for Inspection of Exports of Audio-Visual Copyrighted Works and OEM Audio CDs and relevant inspection documents on January 2, 2004, which

entered into force three days later on January 5.

The amended regulations inserted Paragraph 4 to Article 5, whereby exporters are required to sign an affidavit stating whether the content of the ODs contains any pornographic materials.

### **Regulation for Reduction and Exemption of Patent Annual Fees Scheduled to Take Effect on July 1, 2004**

In compliance with the objective of the Patent Act to encourage invention and creation from juridical persons, schools, and small and medium enterprises (SMEs), and to effectively utilize patent rights, the new Patent Act, which was promulgated on February 6, 2003, stipulates qualifications for fees reduction and exemption. The amended provision grants fees reduction and exemption to juridical persons, schools, and small and medium enterprises' patentees, in lieu of the original restriction to the financially incapables. In accordance with the new Patent Act, TIPO has amended and promulgated the *Regulation for Reduction and Exemption of Patent Fees* on January 14, 2004, which will enter into force at the same time with the Patent Act on July 1, 2004.

Major amendments to the Regulation are as follows:

1. Any patentee who wishes to obtain a reduction or exemption of a patent annual fee shall file a petition in writing.
2. Conditions for reduction and exemption for schools or SMEs are:
  - a. Public or registered private schools, or foreign schools recognized by the Ministry of Education.
  - b. Enterprises stipulated in the *Standards for Identifying a Small or Medium-sized Enterprise*. Foreign enterprises must meet the requirements stipulated under Article 2, Paragraph 1, Item 1 or 2, which being manufacturing, construction, mining, and quarrying businesses with paid-in-capital not exceeding NT\$80 million, or agriculture, forestry, fishing, animal raising, plumbing, electrical power gas, fuel-oil supply, commerce, transportation, warehousing, communication, finance, insurance, real estate, industrial services, social services, and personal services with sales revenue in the preceding year not exceeding NT\$100 million.
3. The annual reduction or exemption amount per case for juridical persons, schools, and SMEs is: NT\$800 reduction/exemption for the first to third year (payable amount of NT\$1700 of the original NT\$2500), or NT\$1200 reduction/exemption for the fourth to sixth year (payable amount of NT\$3800 of the original NT\$5000).
4. Annual fees paid in lump sum of three years or six years may apply for three years or six years' reduction / exemption. Qualified juridical persons, schools, or SMEs may also choose to apply for reduction/exemption when they make annual payments. However, if the annual fee is not paid for by the payment due date, the patentee must pay an amount double to the reduced or exempted annual fee.
5. Shall the patentee become qualified for reduction / apply exemption after the annual fee has been made, he/she may for reduction/exemption within six months of the payment due date on the following year. In the event the patentee shall loses his/her qualification after the annual fee has

been made, he/she must pay the difference for the reduction/exemption within six months of the payment due date on the following year.

6. Qualified juridical persons, schools, or SMEs who have made annual payment prior to the implementation of this Regulation may apply for reduction/exemption within six months of the payment due date for the following year after the Regulation takes effect.

### **MOEA Announces Revisions to the Instructions for Copyright Intermediary Organization Permit Application, Application Forms, and Founder Registry**

MOEA announces on January 5, 2004, the immediate implementation of the revised Instructions for Copyright Intermediary Organization Permit Application, Application Form for Copyright Intermediary Organization Permit, and the Founder Registry. Please visit the TIPO website at [http://www.tipo.gov.tw/copyright/copyright\\_knowhow/copyright\\_knowhow03.asp](http://www.tipo.gov.tw/copyright/copyright_knowhow/copyright_knowhow03.asp) for more detailed information and <http://www.tipo.gov.tw/copyright/ke0402-1.doc> for forms downloads.

### **MOEA Announces the Amendments to the Organization Charter of the Copyright Examination and Mediation Committee**

The Organization Charter of the Copyright Examination and Mediation Committee was first promulgated on August 28, 1992, and was once amended on November 27, 1996 and again on July 28, 1999. The new Copyright Act, which entered into force on July 9, 2003, inserted the provision that stipulates a civil mediation settlement ratified by a court to having the same force as a final and unappealable court judgment in a civil case. In compliance with this new insertion, Articles 3 and 6 of the Organization Charter of the Copyright Examination and Mediation Committee were amended and announced on January 5, 2004.

Major amendments to the Organization Charter are as follows:

1. Increased the number of Committee Members to 21 to 27 people. (Article 3 amended)
2. Resolutions are to be examined and consulted by a Committee meeting with a quorum of no less than one third of the Committee Members and approval of no less than two thirds of the attending Committee Members. In tight vote, resolutions are to be made by the Chair. (Article 6 amended)

## **» ENFORCEMENT «**

### **Patent and Trademark Applications and Approvals for 2003**

As suggested by TIPO, patents and trademarks are products of economic order and are closely related to economic growth and regression. The increase in the number of patent and trademark applications in 2003 implies that applicants are optimistic about the economic growth and thus are more inclined to invest in research and development and apply for IP rights.

1. Number of patent applications and approvals  
In 2003, a total of 65,512 patent applications were filed.

This was 4110 more than the 61,402 applications filed in 2002, indicating a 6.69% increase. The number of technology intense and higher gradation applications increased by 13.03%, suggesting that R&D capabilities are on the rise. The number of published patent approvals for 2003 is 50,033 cases, which is 7991 more than the 45,042 approvals in 2002, indicating a 17.74% increase.

2. Number of trademark applications and approvals  
In 2003, a total of 65,943 trademark applications were filed. This was 4214 more than the 61,729 applications filed in 2002, indicating a 6.83% increase. The number of application for extension increased by 22.91%, from

17,896 cases in 2002 to 21,996 cases in 2003. These figures indicate that trademark right holders are optimistic about the economy and are more apt to file applications. The number of published trademark approvals for 2003 is 54,335 cases, which is 9697 less than the 64,032 approvals in 2002, indicating a 15.14% decrease. This drop in numbers can be attributed to the entering into force of the new Trademark Act on November 28, 2003, which allows all approved cases immediate publication of registration, thus eliminating publication of approval. The number of published registrations for 2003 is 74,572 cases, which is a 5.27% increase from the 70,842 cases in 2002.

### ROC Customs' 2003 Enforcement Results for IP-Infringements

The followings are the enforcement results for IP-infringements in 2003:

#### I. Export Inspections on IP-Infringements:

##### A. Computer Software Related Products:

Items Period	Samples taken at customs districts with Inspection Centers		Samples taken at customs districts without Inspection Centers		Number of cases referred to the ACC	Number of cases referred to district court prosecutors on suspicion of forgery	Number of cases violating Article 37 of the Anti-Smuggling Act	Number of cases referred to NPA on suspicion of copyright infringement	Applications With customs Authorities to suspend release of goods pursuant to Article 90-1 of the Copyright Act
	Total cases	Copyright owners notified cases	Total cases	Copyright owners notified cases					
Jan.-Mar. 2003	3	3	6	0	0	0	0	0	0
Apr.-Jun. 2003	1	3	1	0	0	0	0	0	0
Jul.-Sept. 2003	6	4	4	0	0	0	0	0	0
Oct.-Dec. 2003	9	9	4	4	0	0	0	0	0

**Note:** The Export Monitoring System for Computer Program Related Products entered into force on November 1, 1992 and was amended on August 21, 2003. The new regulation entered into force on October 1, 2003.

##### B. Enforcing the Optical Disk Management Statute:

##### 1. Optical Disks:

Item Period	Illegal Export Cases							
	Cases with missing source identification codes	Suspected cases of counterfeit compact discs		Number of cases referred to the ACC	Number of cases referred to district court prosecutors	Number of cases referred to BOI for further investigation	Number of cases referred to NPA	Number of cases referred to NPA on suspicion of copyright infringement
		Cases	Pieces					
Jan.-Mar. 2003	1 (5400 pieces)	0	0	1	0	0	0	0
Apr.-Jun. 2003	1 (530 pieces)	0	0	1	0	0	3	0
Jul.-Sept. 2003	0	0	0	0	0	0	0	0
Oct.-Dec. 2003	4 (96858 pieces)	0	0	4	0	0	0	0

##### 2. Export/Import of OD Manufacturing Devices:

Item Period	Number of Cases without Export/Import Declaration Documents		Number of Cases Forwarded to BOFT
	Import	Export	
Jan.-Mar. 2003	0	0	0
Apr.-Jun. 2003	0	0	0
Jul.-Sept. 2003	0	0	0
Oct.-Dec. 2003	0	0	0

**Note:** Pursuant to the Optical Disk Management Statute and the OD Manufacturing Implement and Inspection Directives, export ODs are required to have SID code inscriptions, and exporters/importers of OD manufacturing devices are required to present an export/import declaration. These directives entered into force on February 25, 2002.

### C. Pirated OD Inspections:

Item Period	Number of Illegal Exports Found		Number of Illegal Imports Found	
	Number of cases with falsified declarations	Number of cases suspected of OD piracy	Number of cases suspected of OD piracy	Number of cases suspected of video game disks piracy
Jan.-Mar. 2003	9 (320376 pieces)	0	0	0
Apr.-Jun. 2003	6 (34911 pieces)	6 (8783 pieces)	5 (7343 pieces)	0
Jul.-Sept. 2003	0	2 (3644 pieces)	9 (8998 pieces)	1 (3708 pieces)
Oct.-Dec. 2003	5 (97458 pieces)	0	4 (472 pieces)	1 (198 pieces)

**Note:** The Directives for Export Pirated OD Inspection Taskforce entered into force on March 6, 2003.

The Directives for Customs Authorities in Implementing Measures for Protection of Trademark and Copyright entered into force on July 1, 2003.

### D. Trademarks:

#### 1. Trademark Export Monitoring System:

Item Period	Number of cases identical to listed trademarks but were not infringing	Number of cases identical or similar to listed trademarks and were infringing	Number of cases referred to the ACC where trademarks did not conform to export declarations	Total
Jan.-Mar. 2003	0	0	90	90
Apr.-Jun. 2003	0	0	101	101
Jul.-Sept. 2003	0	0	70	70
Oct.-Dec. 2003	0	0	59	59

**Note:** The Trademark Export Monitoring System entered into force on October 1, 1994.

#### 2. Trademark Infringement Imports:

Item Period	Number of Trademark Infringement Imports	Number of Trademark Infringements						
		Golf Equipment	Watches	Leather	Pens	Playing Cards	Garments	Others
Jan.-Mar. 2003	17	70	644	527	100	0	0	2,306
Apr.-Jun. 2003	17	105	47	2,615	116	79,200	105,786	256
Jul.-Sept. 2003	14	461	1,129	113	0	56,000	0	160
Oct.-Dec. 2003	20	283	742	4130	190	0	5096	1024

### E. Chip Marking:

The Chip Marking System entered into force on January 1, 2001. No Infringements were found in 2003.

## II. Parallel Imports of Copyright Works:

Import of movies, videotapes, and laser discs of major U.S. studios:

Item Period	Number of cases referred to the Foundation for the Protection of Film and Video Works
Jan.-Mar. 2003	0
Apr.-Jun. 2003	1
Jul.-Sept. 2003	1
Oct.-Dec. 2003	7

**Note:** On 15 November 1993, Customs implemented the Authorized Imports Agents System based upon lists of authorized firms provided by the Taiwan representative of the U.S.-based Audio-Visual Copyrighted Works Association. Beginning on April 1, 2000, the lists of authorized firms are provided by the Foundation for the Protection of Film and Video Works.

## TAIWAN IPR NEWS

PUBLISHER/JEN-SHYONG HO  
EDITOR-IN-CHIEF/YEA-KANG WANG  
DEPUTY EDITOR-IN-CHIEF/JOSEPH C. CHEN  
EDITORS/FRANCK LIN • ANFERY HSU  
TRANSLATOR/K. KAILI LONG

PUBLISHING AGENCY/  
INTELLECTUAL PROPERTY PROTECTION COMMITTEE,  
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THIS PUBLICATION IS FUNDED BY  
THE GOVERNMENT INFORMATION OFFICE AND THE INTELLECTUAL PROPERTY OFFICE, MOEA