

## **Notice of Final Exam**

**TIME: 1/9 13:10~15:00 (110 min)**

**PLACE: R1109**

**Types: Three parts:** multiple choices and short answers. **Close book exam.** No textbook and any reference are allowed. The students who cheat in exam will be punished according to university regulations.

Questions: Part I multiple choices (30%), six questions. Part II short-answer questions (30%), you must answer **five** questions, including **two** must-answer questions and **three** optional questions (choose 3 out of 5). Part III short essay (40%), two questions. **All answers should be written in English.**

**Points for answers: Exam papers A, B, C and D distributed with random. Each student takes one to answer. The scoring criteria for each exam paper are the same.** You need to answer 6 multiple choices, 5 short answers and 2 essay questions.

**Scope:** Textbook and the slides prepared for class covering the following six main themes:

1. Basics of IP and information technology
2. Legal protection of trademark
3. Legal protection of patent
4. Legal protection of copyright
5. Trade Secrets
6. Online IP & IP strategy

### **Other matters to be noted:**

1. BE ON TIME in R1109 for exam. Schedule to hand out exam papers and answer sheets at 13:10. Anyone late for exam will be deducted 20 points from total points. **No make-up exam unless you have legitimate reasons.**
2. **Cheating is strictly prohibited.** Except for stationery, there will be no other items on the table. Honesty is the duty and discipline of students.
3. **NEVER leave blanks on answer sheet.** Write down all answers as much as you can.
4. All answers must be filled in on the answer sheet. Points will be deducted if any content irrelevant to the exam appears on the answer sheet.
5. Leave the classroom quietly after the exam.

## **Review Session (35+7)**

### **Multiple choices, definition of terms or short answers**

#### **I. Basics of IP and information technology (4)**

1. Jurisdictional scope of IP Court in Taiwan : (1)first and second instances of **civil court**; (2)second instance of **criminal court**; (3)first instance of **administrative court**.
2. International treaties/conventions concerning intellectual property rights (indicate three out of them) : (1)Omnibus: 1967 World Intellectual Property Organization Treaty (WIPO Treaty), 1994 Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) ; (2)Patent: 1883 Paris Convention for the Protection of Industrial Property, 1970 Patent Cooperation Treaty (PCT), 1973 European Patent Convention (EPC), 1977 Budapest Treaty, 2000 Patent Law Treaty (PLT); (3)Trademark: 1891 Madrid Agreement Concerning the International Registration of Marks, 1989 Protocol Relating to the Madrid Agreement, 1957 International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement, 1994 Trademark Law Treaty, 2006 Singapore Treaty on the Law of Mark; (4)Copyright: 1886 Berne Convention, 1952 Universal Copyright Convention (US and Latin America), 1961 Rome Convention (Neighboring rights), 1996 WIPO Copyright Treaty (WCT), 1996 WIPO Performances and Phonograms Treaty (WPPT); (5)Others: 1961 International Union for the Protection of New Varieties of Plants, 1989 Washington Treaty on Intellectual Property in Respect of Integrated Circuits, 1971 Strasbourg Agreement Concerning the International Patent Classification, 1925 Hague Agreement Concerning the International Deposit of Industrial Designs, 1968 Locarno Agreement on Establishing an International Classification for Industrial Designs.
3. What are the controversies arising from AI in current intellectual property rights (IP) system: (1) Traditionally, humans are the subject of creation. Do the inventions completed by AI meet the existing requirements for IP protection? (2) If so, who owns the IP of AI creation? (3) If IP are owned by AI, will it involve changes to the overall IP system?
4. List three legal systems for IP rights that “maintain the order of competition” : (1)trademarks; (2)service marks; (3)business name; (4)geographical indication; (5)unfair competition prevention.

## II. Trademark (9)

5. Functions of trademark (name two types): (1)to recognize products or services; (2)to represent products or services from the same enterprise; (3)to protect consumer's interests, guarantee quality of goods or services, and manifest the economic values; (4)to serve as an advertisement for sales.
6. What is "use of mark"? Write one type and an example : (1)It refers to making relevant consumers acknowledge it as a mark for the purpose of marketing.  
(2)**Four types**: ①using the mark on the product or on the container (*e.g.* tags, cans or cartons, spraying bottles, etc.); ②possessing, displaying, selling, exporting or importing the aforesaid products; ③using the mark on service-related things (*e.g.* shop sign, uniform, menu or tableware, purchase bags, etc.); ④using the mark on the documents or ads relating to products or services (*e.g.* price table, invoice, news & magazines, propaganda and posters, etc.)
7. Limitation of trademark : (1)non-mark use; (2)functionality; (3)first use in *bona fide*; (4)principle of exhaustion of right (or "*First Sale Doctrine*").
8. Trademark significance based on distinctiveness : (1)coined/fanciful marks; (2)arbitrary marks; (3)suggestive marks; (4)descriptive marks; (5)generic terms.
9. Determination of trademark similarity : It does not merely conduct a comparison of two graphics of marks, but determines at different scenarios of consumers based on whether consumer is likely confused.
10. Ways to determine famous trademarks : (1)**recognition based on IPO regulations** (Examination Standards for Famous Trademark Protection); (2)**determined by the courts at all levels on a case-by-case basis**.
11. Cybersquatting : Domain name (DN) registration adopts "*first come, first serve*" principle. The DN annual fee is not so high and the applicant can renew the right to use if extension is made. Such a practice enables the opportunist *hostilely register* other's trademark as DN, makes the original mark owner *unable to register* the DN in his/her trademark and then sell back the DN with higher price to the mark owner. Sometimes the opportunist uses the DN by inserting some other content in order to confuse customer with the source of products or services.
12. Three reasons in the complaint of domain name (DN) disputes when applying for dispute resolution : (1)the DN is identical or similar to the complainant's trademark, name, business name or other identifiers, causing confusion; (2)the registrant has no right or legitimate interests in its DN; (3)the registrant registers or uses the DN in bad faith.

### III. Patent (9)

13. Types of patent and things to be protected : (1)invention: the creation of technical ideas by using the law of nature applying to things, method or ways to use the things; (2)utility(new model): the creation of technical ideas relating to shape or structure of an article or combination of articles; and (3)design: the creation made in respect of shape, pattern, color, or combination of designs.
14. Statutory exclusion for granting invention patent : (1)animals, plants and essential biological processes for the production of animals or plants, except for processes for producing microorganisms; (2)diagnostic, therapeutic and surgical methods for the treatment of humans and animals; or (3)invention contrary to public order or morality.
15. Standard essential patents : A patent utilization model adopted by the International Standards Organization (ISO). Its spirit is openness and sharing. To popularize standard common technologies and balance the interests of patent holders, important standards common technologies in technological development are combined with patent protection and patent holders are required to sign a FRAND clause and charge reasonable fees based on the principles of fairness, reasonableness and non-discrimination. The amount of patent licensing fees is available to ISO members for paid use.
16. Right of priority : It refers to a time-limited right, triggered by the first filing of an application for a patent. The priority right allows the claimant to file a subsequent application in another country for the same invention effective as of the date of filing the first application. When filing the subsequent application, the applicant must claim the priority of the first application in order to make use of the right of priority.
17. Patent searches : Skilled patent searchers look through libraries of patents and publications associated with patent offices and use various searching methodologies to track down relevant documents.
18. Derivative design patent : For two or more similar designs owned by the same creator, the creator can apply for a design patent and **derivative design patents** for the rest of designs. To avoid prolongation of the earlier filed original design patent, the derivative design patent expires when the original patent expires. In addition, the right of a derivative design patent can be **enforced separately** from other related design patents, and the derivative design patent has **its own scope of similarity**.
19. Invention made in performance of duties : When an invention is made by an employee in the course of performing his/her duties, the patent right is owned by his/her employer. The employer can pay the employee reasonable remuneration for use of the invention. If there is an agreement providing otherwise, such agreement should prevail.

20. Compulsory licensing in Patent Law : In response to national emergency or other circumstances of extreme urgency, the Patent Office shall, in accordance with an emergency order or notice from government authorities in charge of the business, **grant compulsory licensing** of a patent needed, and **notify the patentee** as soon as reasonably practicable. For example, the state-permitted manufactures produce the infectious disease vaccines.

#### IV. Copyright (9)

21. What does copyright law protect?: Copyright law only protects “expression” of work, and does not protect the idea, concept, principle or discovery behind the expression.
22. Types of moral rights of copyright : (1)right to publish; (2)right to attribution; (3)right to preserving integrity.
23. Duration of property right of copyright : **In principle:** Lifetime of author plus 50 years after death. **Exceptions:** For aliases, unnamed works, published by legal entities, audiovisual, performance works, the protection is 50 years since the publication (but does not apply to those whose aliases are well known).
24. Exclusive copyright license : Copyright holder cannot license conflicting rights to third party, even the holder cannot use the work by him/herself. For instance, a publisher often concludes agreements with an author who agrees not to publish by him/herself, or license others to publish for the purpose of investment return in printing, editing and marketing
25. Common types of rights for collective management organizations : (1)public broadcast; (2)reproduction right of music works; (3)public performance at public places; (4)public performance of scripts, opera or dancing.
26. Four factors of fair use : (1)purpose and character of the use; (2)nature of the copyrighted work; (3)amount and substantiality; (4)effect upon work’s value.
27. Technological measure: equipment, devices, parts, or other technological means adopted by copyright owners to effectively prohibit or restrict unauthorized access or use of works (such as serial numbers, passwords or access-lock technology).
28. What right(s) does plagiarism infringe? What are the legal factors? : (1)infringe the reproduction right and derivation right belong to copyright owners; (2)two factors: access to the original work and substantial similarity between two works.
29. Prerequisites for copyright safe harbors: (1)inform copyright protection measures and implement them; (2)inform that the service will be terminated if there are three infringements (three-strike clause); (3)announce the contact information for receiving notification documents; (4)implement general identification technology or technical protection measures.

#### V. Trade Secret (3)

30. Trade secret : It refers that any method, technique, process, formula, program, design, or other information that may be used in the course of production, sales, or operation, and also meets the requirements of **secrecy** of such information, **commercial value** and **reasonable steps taken to keep it secret**.
31. “Need to Know” principle in trade secret : Maintaining confidentiality relies on the owner to adopt specific measures to keep the information secret. The principle indicates that **involved persons should only have access to trade secrets to the extent that it is necessary for the fulfilment of their tasks**.
32. Non-compete provision : It is a clause in an employment agreement where an employee agrees not to enter into a similar profession or trade in competition against the employer after employment period is over.

## **VI. Online IP & IP Strategy (3)**

33. Rule for registration of a domain name : The order of obtaining domain names is based on the principle of “first come, first serve.” A top-level domain name only corresponds to the available URL of one legal trademark. Subsequent registrants must use other TLDs or variants of their trademarks to avoid confusion among consumers.
34. Recent approaches to online piracy in Taiwan : (1)making it impossible for pirated set-top boxes to be sold on the market; (2)the domain names of infringing websites can be criminally seized; (3) TWNIC implements DNS RPZ to stop resolving infringing domains under legal conditions.
35. Priorities when formulating an IP strategy :
- (1) Confirm the IP rights owned and used by the company;
  - (2) Audit the established systems (including confidentiality agreements and data security measures) to prevent IP risks and purchase liability insurance;
  - (3) Confirm current IP management (such as patent maps) and processes (such as modifying business models to cope with digital piracy) can protect the company's core technologies and brands;
  - (4) Use flexible IP strategies (such as choosing forms of IP protection, branding, IP portfolio management, registration strategy, corporate governance, etc.)

## Essay

### 1. Using copyrighted movies by adding funny subtitles to comment or mock specific current events to refresh audiences. Questions:

- (1) What rights under copyright law are involved in this parody?  
Right to make reproduction and right to make derivative work.
- (2) Is parody an unauthorized use or a fair use?
  - ① The act of mocking a specific event or making comments is in principle protected by the freedom of speech, but this does not mean that the commentators can speak freely without any target and should be subject to legal restrictions.
  - ② The unauthorized use of the exclusive rights of copyright owner constitutes an infringement. The act of using the original work to create other works is a characteristic of parody, so it has the possibility of infringing the rights of reproduction and adaptation.
  - ③ If the parody content transforms the original work in some way and adds some original content, it may constitute a fair use. But it needs to be judged by the court.

### 2. About the keyword advertising. Questions:

- (1) What is the “keyword advertising” : It is a form of online advertising in which an advertiser pays to have an advertisement appear in the results listing when a person uses a particular phrase to search the Web, typically by employing a search engine. The phrase is composed of one or more key terms (especially trademarks) that are linked to one or more advertisements.
- (2) Whether selling keyword advertisements constitutes the “trademark use”? :
  - ① The trademark use refers to making relevant consumers recognize it as a mark for the purpose of marketing goods or services.
  - ② When the advertisements are displayed containing the same or similar trademarks after a search engine user entering a keyword, then further discussion is needed to determine if there is a likelihood of confusion of consumer. However, if the use of keyword ads for sale is not a trademark appeared on the web page, it is not sufficient to make consumers recognize it as a mark.

### 3. Taiwan’s after-market manufacturers have been accused of infringing the design patents of foreign original auto parts, and they want to amend the Patent Law to add a “the right to repair” clause. In addition, Taiwan’s high-tech firms often face extortion by overseas patent assertion entities (or “patent trolls”).

#### Questions:

- (1) What does the “right to repair” clause mean? : “the effect of design patent right does not extend to the parts used to repair the automobiles or other motor vehicles to restore their appearances.” It grants consumers the right to choose alternative parts for fixing their own cars.
- (2) What is a “patent troll”? What causes patent trolls?
  - ① **A patent troll** is a person or company that actively launch patent infringement lawsuits to obtain compensation or threaten to file patent lawsuits despite knowing that the odds of success are low, forcing the defendant to pay for settlement. However, most patent trolls have never



produced their patented products. At present, most patent trolls are involved in fields such as semiconductors and software.

- ② Patent trolls take advantages of loopholes in the system to apply for patents with vague content, or acquire cheap patents from others, and then sue other high-tech firms in the name of patent infringement. **The main reason** to encourage patent trolls is that the victim companies tend to reach a settlement due to unpredictable court ruling and huge litigation costs.

**4. Technology companies must strive to develop new technologies and products; however, the industry is full of various commercial spies who often obtain, use or leak internal trade s through unjust means. Questions:**

(1) What measures should be taken to protect trade secrets?

- ① **For persons:** Control employees and third parties who may have access to confidential information, such as access control card swiping, regular audits and signing of confidentiality contracts.
- ② **For target objects:** Strictly control the premises, improve the security of information equipment, etc.
- ③ **For confidential information:** Information classification and regular audits.

(2) On May 20, 2022, Taiwan passed the amendments to “National Security Law” and “Cross-Strait People’s Relations Statute.” What are the two key points?

- ① **Define “National Core Technologies”:** refers to technologies that, if flowed into foreign countries or overseas hostile forces, will seriously damage national security, industrial competitiveness, or economic development, and should be regulated based on national defense needs or critical infrastructure security considerations.
- ② **Crime of economic espionage:** No one is allowed to steal, reproduce without authorization, improperly obtain, or leak trade secrets of national core technologies for foreign countries or overseas hostile forces. The maximum penalty is 12 years in prison and a concurrent sentence of 100 million NT dollars.

**5. In order to prevent online infringement, most websites have copyright notices, which describe the “notice and takedown” process. Questions:**

(1) Why do websites implement “notice and takedown” measures :

To enjoy the exemption from civil liability due to third-party infringement.

(2) Three types of infringing acts in 2019 amended Copyright Act (Taiwan) :

- ① To provide the public with computer programs which have aggregated IP addresses of illegal works (such as APPs for users to download from Google Paly or App Store);
- ② To direct, assist or preset paths to the public for using computer programs in the illegal set-top boxes;
- ③ To manufacture, import, or sell the equipment or devices preloaded with the computer software of the illegal set-top boxes.

**6. A question relating to the case study discussion.**

**7. A question relating to the movie(s).**