

To postpone or not to postpone? New policy on postponement of patent issuance

Formosa Transnational - Taiwan

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On March 7 2016 the Ministry of Economic Affairs announced the latest amendments to the Enforcement Rules of the Patent Act. According to the new rules, patent applicants can apply for a postponement of patent issuance for up to six months instead of the previous three months. Compared to the previous rules, the new policy gives patent holders more room to consider and engage their patent strategies.

Why extend patent issuance postponement term?

To avoid redundant research or investment, every country's patent system has a similar publication or issuance mechanism used to reveal patent details to the public. However, because of the claimed subject matter, design patents are especially vulnerable to being copied and patent applicants or owners may suffer major losses on launching an infringed product. To balance the interests between the public and patent owners, the Taiwan Intellectual Property Office (TIPO) was due to introduce a system of deferred publication for design patent applications, in line with both the Hague Agreement and practice in the European Union, South Korea and Japan. However, since the official public hearing on April 30 2015, the way in which patent owners exercise their rights during deferred publication after grant has remained controversial. In this regard, TIPO compromised in order to amend the existing law to extended the postponement term to six months, but will not introduce a new deferred publication system for design patent applications.

Merits of new regulation

The latest postponement regulation actually changes little in the existing system. One advantage of the new policy is to avoid the costs that would be incurred by the substantial change involved in a brand new deferred publication system for design patent applications. Further, the deferred publication system was intended to regulate design applications specifically. In comparison, the new postponement regulation can apply widely to three kinds of patent, giving patent owners more flexibility to review their patent rights before issue. The amendment of a specification or claim is more difficult after a patent has been issued, so the postponement of issuance should give patent owners enough time to review and make any necessary amendments. Further, if patent holders wish to claim domestic priority for a patent application which has been allowed but not yet issued, the postponement buys more time to make this happen.

Postponement of patent issuance

Like the existing regulations, the timeframe to request a postponement of patent issuance commences on the date of payment of the issuance fee and first annuity. No extra fee applies. Applicants can apply to extend the term for up to six months. If a patent is given a six-month extension, the extension begins from the day on which it was originally issued.

To postpone or not to postpone

The new postponement policy greatly broadens the approach to the strategic development of patent portfolios. The policy provides a second chance for would-be patent holders to supplement or amend potential patents or to file further patent families by claiming them for domestic priority. Thus, to postpone or not to postpone may not be the question, but rather an option to consider and evaluate.

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