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## Newsletter

In this issue, we provide you with the following points regarding patents and trademarks:

- Challenging Japanese Patent Applications/Granted Patents
- Remedy for the expired period for procedure
- Information on “Directory of Foreign Brand Right Holders” published by MIPRO (Manufactured Imports & Investment Promotion Organization)
- Information on Amendments to the Law.

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## 1 Challenging Japanese Patent Applications/Granted Patents

Measures third parties can take against pending patent applications or granted patents in Japan are as follows.

Please note that there is no opposition system in Japan now. (The opposition system was abolished with the revision of the Patent Law in 2003. However, the revival of a system which is similar to the former opposition system is presently under discussion, and the Patent Law is expected to be revised to incorporate it in the near future. Hereto, kindly also refer to our Newsletter No. 189 of December 2012.)

### 1. Measures Third Parties Can Take Against Patent Applications Prior to Grant—Pre-grant—

#### 1-1. Third Party Observations (Pre-grant)

Third party observations (pre-grant) allow third parties to provide information that a patent application should be rejected e.g., based on the lack of novelty or inventive step, to the Japan Patent Office (JPO).

When a third party observation is filed against a patent application, all information provided therein will be received by the Examiner in charge, and the applicant of the patent application is notified that the observation has been filed.

Third parties who have filed third party observations are not permitted to directly contact the Examiners in charge, i.e., are not permitted to interview with the Examiners in order to explain the submitted information, even after filing said observations. However, the third parties can receive feedback as to whether the submitted information was used in a Notice of Reasons for Rejection, if they desire it.

#### (1) When third party observations may be filed

Third party observations can be filed during the pendency of a target patent application before the JPO, and after the application is granted. In other words, they may be filed at any time after a target patent application is filed.

Of course, in order to prevent a target patent application from being granted a patent (or at least narrow its scope), a third party observation against it needs to be filed before or during its substantial examination, i.e., before it is granted.

#### (2) Who may file third party observations

Any person can file a third party observation.

It can also be filed anonymously. In such case, however, it is not possible to receive the above-stated feedback. (In the case where our clients desire to file a third party observation anonymously, we can carry out a status watch regarding the subsequent progress of the targeted application, and inform them if a Notice of Reasons for Rejection is issued and the submitted information is used, if requested.)

### (3) Principal reasons for rejection subjected to third party observations

- Lack of Novelty or Inventive Step (Art. 29(1)(iii) or 29(2))
- Violation of First-To-File Rule (Art. 39)
- Violation of Enablement Requirement or of Requirement of Support by Description (Art. 36(4)(i) or 36(6)(i))
- Lack of Industrial Applicability (Art. 29(1), Main paragraph)
- Lack of Clarity (Art. 36(6)(ii))
- Prior Art Effect (Art. 29<sup>bis</sup>)
- Addition of New Matter (Art. 17<sup>bis</sup>(3))
- Non-invention (Art. 29(1), Main paragraph)

### (4) Information to be submitted

Information third parties can submit is not limited, as long as it is submitted in the form of a **written document**\* and it is relevant in assessing the above-stated reasons for rejection for a Japanese patent application.

\* *Examples of written documents include publications or copies thereof, and testifying documents such as experimental reports. Submittals which are not in writing (e.g., video tape) will not be accepted.*

If the written documents to be submitted are in a foreign language, the submission of Japanese translations thereof is, in principle, necessary (especially, in the case of languages other than English).

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## 2. Measures Third Parties Can Take Against Granted Patents—Post-grant—

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### 2-1. Patent Invalidation Trial

A patent invalidation trial is a system for demanding the invalidation of a patent right (**inter-partes trial**). Where a trial decision that a patent is to be invalidated has become final and conclusive, the patent right is deemed never to have existed.

Against trial decisions given by the JPO, a lawsuit to rescind the trial decisions can be filed with the Intellectual Property High Court.

#### (1) When a patent invalidation trial may be demanded

A patent invalidation trial may be demanded at any time after the registration of the establishment of a patent (even after the extinguishment of the patent right).

So, before filing a patent invalidation trial, demandants can generally take enough time to carry out adequate preparations for trial, such as analysis of evidence for invalidating the target patent.

#### (2) Who may demand a patent invalidation trial

Any person may file a patent invalidation trial (except for a patent invalidation trial on the basis of the violation of the joint application requirement, or usurped applications).

#### (3) Principal reasons for the invalidation of a patent subjected to an invalidation trial

- Lack of Novelty or Inventive Step (Art. 123(1)(ii))
- Violation of First-To-File Rule (Art. 123(1)(ii))
- Violation of Enablement Requirement or of Requirement of Support by Description (Art. 123(1)(iv))
- Lack of Industrial Applicability (Art. 123(1)(ii))
- Lack of Clarity (Art. 123(1)(iv))
- Violation of Joint Application Requirement (Art. 123(1)(ii))
- Prior Art Effect (Art. 123(1)(ii))
- Addition of New Matter (Art. 123(1)(i))
- Non-invention (Art. 123(1)(ii))
- Usurped Application (Art. 123(1)(vi))

#### (4) Evidence

Examples of evidence used for invalidation trials include witnesses, expert witnesses, the relevant parties, documents, and objects to be inspected.

In many cases, however, documents are used. If the documents are in a foreign language, Japanese translations of the relevant parts therein need to be submitted.

After a Patent Invalidation Trial has been initiated against a patent, the owner of the respective patent has the possibility to amend the patent claims.

## 2-2. Third Party Observations (Post-grant)

As stated above, any person may file a third party observation at any time after a target patent application is filed, including after the grant of the patent.

Reasons for invalidation of a patent subjected to third party observations (post-grant) are the same as the reasons for rejection subjected to third party observations (pre-grant) described above under Item 1-1(3).

With respect to third party observations after the grant of a patent, however, please note that filing them does not lead to the start of examination/reexamination of the granted patent, although the patentee is notified that the observation has been filed.

As can be seen from the above, the only measure to enable third parties to have a full-fledged discussion on the patentability of their competitor's invention with the JPO and the applicant/patentee is a patent invalidation trial after a patent has been granted. However, a patent invalidation trial is an expensive and time-consuming process, and in general, it is not easy to invalidate a right once it has been granted.

So, filing a third party observation (**pre-grant**) to prevent a target patent application from being granted, or to at least narrow its scope before it is granted, may be an approach of great importance.

We recommend taking into account these points, in deciding when, how, or if to challenge a patent/a patent application in Japan.

## 2 Remedy for the expired period for procedure

As announced in our Newsletter No. 188 of March 2012, certain remedies regarding the time period to file a translation of PCT patent application documents and applications in a foreign language have been introduced in Japan with the revised Patent Law, being in force since April 1st, 2012. There are also other regulations to relieve applicants or patentees.

Even though such remedies are taken into consideration, there are two procedures to which special attention should be paid.

### 1. Request for Examination

According to the Japanese patent law a Request for Examination may be made within three years from the date of filing a patent application. When a Request for Examination has not been made within the time limit, the patent application concerned shall be deemed withdrawn.

No extension is allowed to this time limit. There is no remedy to this. After three years from the date of a patent application, it is already laid open for public inspection. A new patent application for the same invention can never be patented, due to the lack of novelty. A divisional application is also not possible after the expiration of the time limit of Request for Examination.

Therefore, after the expiration of the three-year time limit for Request for Examination, it is no longer possible for an invention to be patented and registered.

### 2. Appeal Against Examiner's Refusal

A person who has received an Examiner's decision that his application is to be refused and is dissatisfied with said decision may file an appeal against the Examiner's refusal within 4 months\* from the transmittal of the Examiner's decision. This time period is also not extendable. (\* 4 months is for the residents abroad.)

After 4 months' time, the Examiner's decision becomes final and conclusive. Filing a divisional application after this time period is not possible.

There is no way for the invention in the refused application to be patented and registered.

For the above two Items it is strongly required to accomplish a prescribed procedure within the time period. We send reminders to our clients several times in some cases. Please send us back your reply before the time limit, including the consent of the inventor, when it's necessary.

## 3 Trademark— Information on “Directory of Foreign Brand Right Holders” published by MIPRO (Manufactured Imports & Investment Promotion Organization)

MIPRO is a nonprofit organization which was established in 1978 jointly by the Ministry of International Trade and Industry (now the Ministry of Economy, Trade and Industry) and the private domain.

(For more information about MIPRO, please visit their website at: <http://www.mipro.or.jp/english>)

MIPRO publishes “Directory of Foreign Brand Right Holders” once a year as part of their engagement with protection of intellectual property rights. In this “Directory of Foreign Brand Right Holders”, you can find information concerning trademark registrations in Japan (including international registrations registered in Japan), which are owned by foreign businesses. The “Directory of Foreign Brand Right Holders” is distributed to the Japan customs, and the police all over Japan, for free. In this Directory, information such as trademarks, registration numbers, classes, and the names of trademark owners are indicated, in addition to their contact information in Japan.

In the Directory of 2012, which was published in March, 2012, about 900 registered trademarks were published, many of them being well-known marks in various fields of industry, such as fashion, automobiles, foods, cosmetics, sports, and others.

### Merits of Publishing a Trademark in the Directory

Though the publication of the trademark in the Directory does not mean that the published trademark automatically becomes the subject for suspension or crackdown, the publication has the following merits:

- 1) The Directory makes it easier for the Japan customs, who seize counterfeits and pirated goods at the border, and the police, who crack down on such illegal goods to prevent them from being distributed in Japan, to recognize the registered trademarks to be protected.
- 2) Because TM owners’ contact information in Japan is provided, the Japan customs and the police can smoothly cooperate with the trademark owners via the Japanese contacts, for the quick and precise handling of each case.

The publication must be applied for via an affiliate company or a patent attorney in Japan. If you are interested, please provide us with the registered trademarks to be published, registration numbers, the owners of the trademarks, and the name, address and telephone number of the company to be contacted in Japan, including the contact person (if any). You can appoint us as a contact in Japan, too. If you wish, we can send you a reminder once a year for the publication for the following year.

Should you have any questions, please contact our trademark department. (e-mail: [tm@esakipat.co.jp](mailto:tm@esakipat.co.jp))

## 4 Information on Upcoming Amendments to the Law

### Patent

#### 1. System to Review Patent Rights After Grant

Concerning the above item 1, it is expected that a draft for a revision of the Japanese Patent Law with regard to a system to review patent rights after grant will be submitted at the next session of the Diet. Details of the system are not known yet. However, if the submission and the approval of the revision draft go smoothly, it is possible that the revised system to review patent rights after grant will come into effect as early as April 2014.

#### 2. Amendment of the Japanese Examination Guidelines

It is expected\* that from April 2013 revised Examination Guidelines for patents will be in effect in Japan. Especially the regulations regarding unity of invention and shift amendments are expected to be the subject of revision. The current restrictions regarding (shift) amendments in Japan are criticized for being rather stringent, compared, for example, with European regulations. It is rumored that these restrictions will be eased.

\* At the time that this newsletter went into print the revised Examination Guidelines had not yet gone into effect.

We will provide you with in depth information on the topic of unity of invention and shift amendments in Japan in the next issue of our Newsletter.