

## JAPAN INTELLECTUAL PROPERTY NEWS

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## RECENT DEVELOPMENTS IN JAPAN PATENT LAW

**Japan's New Post-Grant Patent Invalidity System**

In Japan, there used to be two ways to invalidate post-grant patents: the opposition system and the invalidation trial system. The former was to file a corrective action against a mistaken decision regarding a post-grant patent, and the latter is used by a third party as a countermove against a patent infringement.

Effective January 1, 2004, the opposition system was abolished and integrated into the invalidation trial system. Accordingly, Japan's patent invalidity trial is currently the only way to demand an invalidation of post-grant patents.

Under the revised invalidation trial system:

1. Anyone can file an invalidation trial.
2. The trial may be filed at anytime. The old opposition system allowed a petitioner to file a claim within six months after the publication is issued.
3. Both parties are involved in the adversarial system during the trial procedure.
4. The petitioner may appeal to the Tokyo High Court against the trial decision given by the lower courts.



Mount Fuji and Sunflowers

**Available Exclusively to Universities: Discount on the Japanese Patent Examination Fee and Annuities**

The Japan Patent Office (JPO) announced in 2001 that Japanese universities qualify for 50 percent off the Japanese patent examination fee and patent annuities when they file for patents with the JPO, as long as they can demonstrate that the invention is assigned to the university.

Omori & Yaguchi has confirmed with the Japan Patent Office that non-Japanese universities also qualify for this small entity type discount on the Japanese patent examination fee and patent annuities.





## IP LINKS

**Japan Patent Office**  
<http://www.jpo.go.jp/index.htm>

**Industrial Property Digital Library**  
[http://www.ipdl.jpo.go.jp/homepg\\_e.ipdl](http://www.ipdl.jpo.go.jp/homepg_e.ipdl)

**Japan Patent Attorneys Association (JPAA)**  
[http://www.jpaa.or.jp/english/e\\_index.html](http://www.jpaa.or.jp/english/e_index.html)

**International Association for the Protection of Intellectual Property (AIPPI)**  
<http://www.aippi.org>

**Supreme Court of Japan**  
<http://www.courts.go.jp/english/ehome.htm>

**Institute of Intellectual Property (IIP)**  
<http://www.iip.or.jp/e/index.html>

**Japan Intellectual Property Association (JIPA)**  
<http://www.jipa.or.jp/english/index.html>

If you or your client have an international patent application, and are interested in entering into the Japanese national phase, we will review your case as to whether it qualifies for the 50 percent discount.

### **Patent Application Fees Decreased; Examination Fees Increased Since April 1st**

Patent application fees have been reduced for applications filed after April 1, 2004. Additionally, patent registration fee and annuities

(annual maintenance fees) for the first to ninth years have been reduced for patent applications in which a request for examination was filed on or after April 1, 2004. Annuities from 10th year to 25th year, which is the maximum patent term in Japan, remain the same.

However, the fees that the Japan Patent Office charges for requesting examination of Japanese patent applications have doubled for all applications filed after April 1, 2004. Overall, the revised fee system will benefit companies with the large collections of patents. ◆

## **FAQ ON JAPANESE PATENT LAW**

Omori & Yaguchi receives various inquiries about PCT international applications from those interested in entering into the national phase in Japan. In this section, we have selected some of the most frequently asked questions.

*Q1: I unintentionally failed to enter the Japanese national phase within the 30-month time limit. Is there any way to reinstate my patent rights, and enter the Japanese phase?*

A1: Unfortunately, once the rights of the applicant in the international application, needing to enter into the Japanese national phase, are lost, he/she cannot reinstate the rights at that point. The new PCT49.6 rule has not been recognized in Japanese intellectual property law. The Japan Patent Office said that it is not likely to accept this new rule in the near future.

For your information, under the PCT49.6 rule, when the effect of the in-

ternational application provided for in Article 11(3) has ceased due to the applicant's failure to perform the acts referred to in Article 22(1)\* within the applicable time limit, the designated Office shall, upon request of the applicant, reinstate the rights of the applicant with respect to that international application if it finds that any delay in meeting that time limit was unintentional or, at the option of the designated Office, that the failure to meet that time limit occurred in spite of due care required by the circumstances having been taken.

\* Article 22(1) of the Patent Corporation Treaty: The applicant shall furnish a copy of the international application and a translation thereof, and pay the national fee (if any), to each designated Office not later than at the expiration of 30 months from the priority date.

Q2: I currently have a PCT international application, and am considering entering into the Japanese national phase. However, the time is running out and I am looking for the way to drop a priority claim without losing an opportunity in my patent rights. Please advise.

A2: The applicant may withdraw a priority claim, made in the international application under Article 8(1), at any time prior to the expiration of 30 months from the priority date, according to the PCT Rule 90bis.3. When the withdrawal of a prior-

ity claim causes a change in the priority date, any time limit that is computed from the original priority date and has not already expired shall be computed from the priority date resulting from that change. In other words, the new time limit will be 30 months from the new priority date.

\* If you have any concerns or questions regarding Japanese intellectual property law, please feel free to write to us. Our contact information is provided on the left hand side of this page. ◆

**Japan Patent Information Organization (JPIO)**  
<http://www.jprio.or.jp>

**Licensing Executives Society Japan (LES)**  
<http://www.lesj.org>

**Japan Institute of Invention and Innovation (JIII)**  
<http://www.jiii.or.jp/english/e.htm>

**Asia-Pacific Industrial Property Center (APIC)**  
<http://www.apic.jiii.or.jp>



## STATISTICS OF THE MONTH

### Japanese Intellectual Property Lawsuits Increased Dramatically in the Last Decade

The number of intellectual property-related civil lawsuits filed as first trials at district courts throughout Japan has doubled in a decade, from approximately 300 in 1991, to more than 600 in 2002.

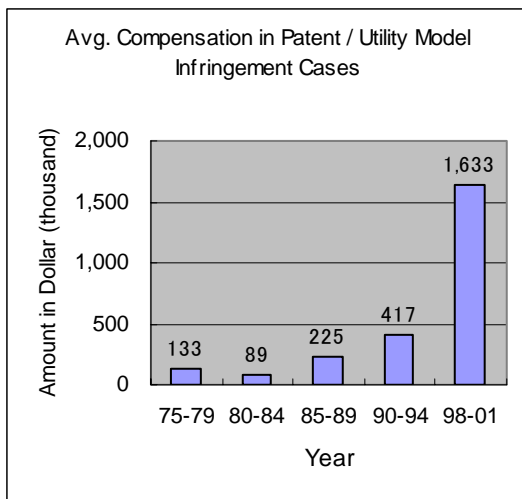
This increase in filing can be traced to the 1998 and 1999 amendments in Japanese patent law, which made it easier for a plaintiff to demonstrate infringement, and allow the plain-

tiff to testify regarding the amount of damages as a result of the infringement in question. As a result, the infringed parties sought to demand higher compensation.

Average compensation from 1990 to 1994 was approximately 46 million yen (\$410 thousand), and subsequently rose to 180 million yen (\$1.6 million) between 1998 and 2001 (See Chart B). ◆

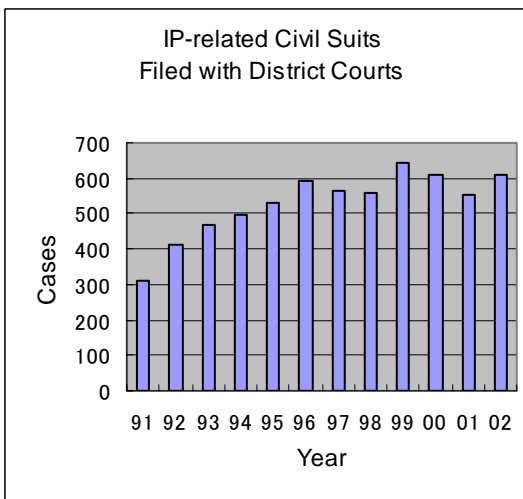


Chart A



Source: Supreme Court of Japan

Chart B



Source: Institute of Intellectual Property

\* One US dollar is 111 Japanese yen, based on the currency exchange rate of July 28, 2004.

#### About Omori & Yaguchi

Omori & Yaguchi is a Tokyo-based intellectual property law firm, offering a full range of contentious and non-contentious legal services in Japanese intellectual property law, including patent, trademark, trade secrets and technology licensing.

Omori & Yaguchi serves a wide variety of clients internationally ranging from universities and venture companies to large global businesses. In order to communicate well with clients in the United States without barriers of language, culture, physical distance as well as the time differences, Omori & Yaguchi established its liaison office in Philadelphia in 2000.

Japanese Patents and Trademarks  
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Instant estimate for filing patent and trademark applications in Japan

- For entering the Japanese national phase for PCT patent applications.
- For filing a Japanese translation within two months from the date of entry.
- For filing a Japanese trademark application with a corresponding foreign application.
- Formal online estimate is also available.

## WHAT'S NEW @ OMORI & YAGUCHI?

### Japan Technology Group Launches a Web-Based Technology Seeds/Needs Exchange Forum

The Japan Technology Group (JTG) was formed last fall in Philadelphia's Science Center by Omori & Yaguchi's Senior Partner, Taro Yaguchi, to serve as an agent for U.S. companies who seek to transfer innovative technology seeds developed by Japanese universities into the U.S. market.

JTG has launched an easy-to-use Web-based forum where a needs provider such as a U.S. pharmaceutical company and a seeds provider such as a Japanese university can exchange each other's requirements. Based on the needs information received from U.S. companies, JTG will search and identify untapped Japanese technology from its database that covers more than 10,000 Japanese researchers from various academic and research institutions.

JTG is affiliated with Omori & Yaguchi, and the two companies provide a one-stop solution for the strategic management of intellectual property rights in Japan. For more information about JTG's

Technology Exchange Forum, please visit [www.japantechnologygroup.com](http://www.japantechnologygroup.com).

### Relocation to New Office Space

Omori & Yaguchi's Philadelphia office was relocated to a new office space on April 23 due to the expansion of our office. We moved to another floor in the same building. Please note our new suite number:

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*Omori & Yaguchi Japan Intellectual Property News* is published periodically by Omori & Yaguchi, 1628 John F. Kennedy Blvd., Philadelphia, PA 19103. This is to inform our readers of developments in the field of Japanese intellectual property law, which has been and is expected to be changed dramatically within the next few years, especially because of the Japanese government's initiative to rebuild Japan as an intellectual property-based nation.

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