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## Newsletter

The Japan Patent Office has announced revisions to the Patent Law, Design Law, Trademark Law and other relevant laws. We provide a simple overview in the following summary of said revisions.

Although the effective date of the revision has not been officially decided, it is expected to be <u>1 April 2015</u>. We will inform you of the official date once it is decided, along with the details of the revision.

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### **Revision of the Patent Law**

#### 1. The Establishment of a Patent Opposition System

The above mentioned revision will establish a Patent Opposition System.

After the abolition of the previous Patent Opposition System by the revision of 2003, the means of attacking an established patent was limited to requests for a Patent Invalidation Trial.

Anyone, at any time, can request a Patent Invalidation Trial but it is not a particularly easy to use system as there is a heavy burden on the appellant (large cost, the existence of oral proceedings and so on). Therefore, there is a need for a system separate to Patent Invalidation Trials, where the burden on the third party is lighter.

In addition, the period where you do not know whether a request from someone for a Patent Invalidation Trial will be received continues semi-permanently. Therefore, from the point of view of patent rights holders, there is a need to establish a new system in order to ensure strong and stable patent rights in the early period of a patent's life.

In view of this situation, a Patent Opposition System which can secure strong, stable rights in the early period of a patent's life by having a limited period where an opposition can be filed and which imposes a light burden on the third party will again be introduced.

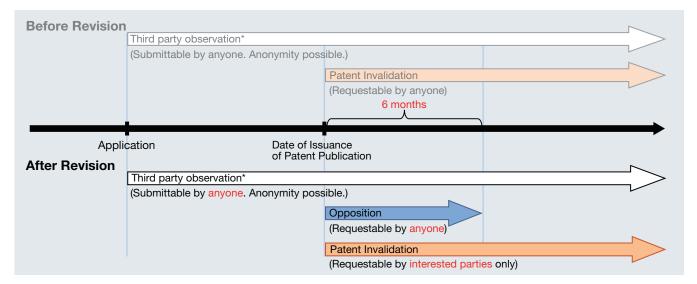
#### A summary of the Patent Opposition System is as follows:

- An opposition may be filed within 6 months of the date of issuance of the patent publication gazette.
- An opposition may be filed by anybody.
- The Patent Opposition trial is undertaken by examination of documentation (that is, there is no oral proceeding), wherein:
  - The patentee has the opportunity to submit argumentation.
  - The patentee is able to amend the claims.

    In that case, the opponent has the opportunity to submit argumentation regarding the post-amendment claims.
- The main reasons for opposition:
  - Lack of novelty or inventive step (Article 29), Prior art effect (Article 29<sup>bis</sup>), Violation of enablement / support requirement (Articles 36(4)(i), 36(6)(ii)), Lack of clarity (Article 36(6)(ii)), Addition of new matter (Article 17<sup>bis</sup>(iii)) and so on.

Furthermore, with the introduction of the Patent Opposition System, requests for a Patent Invalidation Trial will be limited to interested parties (that is, parties affected by the patent).

After the revision, the measures that a third party can take against a patent are as follows:



<sup>\*</sup> Third party observations can be filed either before or after grant of patent. However, if the observation is filed after a patent is granted, the patentee is simply notified thereof but the patent does not return to the examination stage.

#### 2. Enhanced Legal Remedies

#### **Term Extensions**

The range of procedures where a term extension will be granted when circumstances not attributable to the person responsible for the procedure have resulted in failure to complete said procedure within the designated term have been expanded.

#### **Claiming Priority**

- When there is a legitimate reason which meant that a patent application claiming priority was not filed during the priority period, it will be possible to claim priority within a fixed period of time even after the original period has expired.
- It will be possible to submit, within a certain period, documentation claiming priority even if this was not filed simultaneously with the patent application. And an amendment thereof can also be filed within the certain period.

#### **Request for Examination Term**

When there is a legitimate reason, it will be possible to make a Request for Examination within a certain period, even after the expiration of the Request for Examination term.

## 2 Accession to the Geneva Act

The Japanese Diet approved the signing of the Geneva Act ("Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs"). At present, preparation for accession is underway.

## 3 Designating Japan for International Design Applications

Following accession it will become possible to designate Japan for international registrations (International design applications) and therefore the revision of the Design Law in accordance with accession to the Geneva Act is expected to be implemented from 1 April 2015 (although this date is not yet finalized).

#### **International Design Applications**

Although the Design Law will be revised, the basic system will not change. International design applications will be handled in accordance with Japan practice, as follows.

#### (1) Handling of international applications

Based on the Geneva Act, an international application seeking protection in Japan will be deemed as a Japanese design application filed on its date of international registration, if the international registration is registered and published.

#### (2) International design applications that include multiple designs

In Japan, only a single design can be included in a single application. Therefore, when claiming priority of a first application filed in a country / organization which recognizes multiple design applications, each design in an multiple design application is required to be filed individually. This 'one design, one application system' will also continue following the revision.

Following the revision, in international design applications which include multiple designs, each design will be considered as a single design application and as such were it to include 100 designs, it will be treated as 100 applications. Thus, individual designation fees paid to the International Bureau (the application fee and the annuities for the first 5 years) will be multiplied by the number of designs.

#### (3) Handling of the secret design system

As a general rule, designs in Japanese domestic applications are undisclosed prior to their publication following grant of the design right, in the Publication of Registered Designs. Designs where, at the time of application or payment of the registration fee, a request is made to keep the design secret for a specified period of time (the maximum period being 3 years), are not published for said specified period. The secret design system will be maintained after the revision and thus ordinary Japanese applications will be able to make use of the secret design system as before. However, as international publication is a prerequisite for international design applications, the secret design system will not apply. When deferred publication is requested for an international application, publication will also be deferred in Japan. However, during the period of requested deferment, because the requirements described in (1) above have not been met the examination will not be carried out, and thus the establishment of the right will be delayed by the corresponding length of time.

#### (4) Introduction of the right to claim compensation

As International applications are published prior to establishment of design right, preparation is underway to adopt a "Right to Claim Compensation System", following the Patent Law, in order to prevent counterfeiting.

Although the specifics of the paperwork and Official fees etc. following the revision have not yet been finalized by the JPO, we will inform you as soon as they are announced.

## Priority Certificates (Design applications)

When making an application for a design claiming priority under the Paris Convention, it is necessary to submit the priority certificate (written original) to the JPO. However, because the Office for Harmonization in the Internal Market (OHIM) have started to electronically issue priority certificates in PDF format, when claiming priority of a first application filed as a European Community design application, submission of a print out of the PDF format priority certificate will be acceptable as a priority certificate. (This was previously already the case for Trademarks.)

It should be noted that the priority certificate that has been issued as a color PDF, must be printed in color so that it can be verified that the content of the first application (European Community design application) is essentially identical.

## **Revision of the Trademark Law**

For a number of years the introduction of so-called "new trademarks" (i.e. non-traditional trademarks) has been considered. With the current revision however, a number of new types of trademarks will become protectable under the Trademark Law. These will be briefly introduced below, before describing other aspects of the revised Law. The revised Law is expected to be implemented from 1 April 2015 (though this is not yet confirmed) except for the expansion of the scope of entities eligible to apply for Regional Collective Trademarks, which came into force on 1 August 2014.

#### 1. Protection for new types of trademarks

#### The new types of trademark that will be protectable are as follows

- 1. Color marks
- 2. Sound marks
- 3. Motion marks
- 4. Hologram marks
- 5. Position marks

#### Revisions accompanying protection of new types of trademarks

- The definition of a trademark will be revised. In addition, in order to flexibly deal with the needs which will arise from protecting the new types of trademarks, future changes to the definition of trademark will be delegated to government ordinance. This will thus eliminate the need for future revisions of the Trademark Law should further new types of trademark require protection.
- Preparation of the specific requirements for filing new types of trademarks is underway. For one thing, applicants will be
  required to give a detailed description of the new types of trademark. We will inform you as soon as the details of the
  procedure become clear.

#### 2. Registration of Trademarks Similar to Emblems of International Agencies

Signatory states of the Paris Convention have a duty to prevent the registration of trademarks similar to emblems of international agencies by third parties, a duty which Japan has fulfilled. However, under the Convention, trademarks which do not lead to the misunderstanding that there is a connection with the international agency can be registered. This has become established practice during examinations, but in the current revision, it will be stipulated by law (Article 4(1)(iii) of the revised Trademark Law).

## 3. Limitation of the Enforceability of a Trademark Right Against Trademarks Not "Used as a Trademark"

Essentially, a trademark should be used in a form having the function to distinguish the product carrying the mark from other products. This is referred to as "used as a trademark". There are many judicial precedents where the use of a mark not used in this manner (i.e. not "used as a trademark") does not constitute trademark infringement. However, this does not have a basis in the stipulations of the Trademark Law. In contrast, the current revision clarifies that a trademark right cannot be enforced against a mark which is used in such a way that consumers cannot recognize the goods or services as those pertaining to a business of a particular person (Article 26(1)(vi) of the revised Trademark Law).

#### 4. Expansion of the Scope of Entities Eligible to Register Regional Collective Trademarks

With the introduction of the system of Regional Collective Trademarks in 2006, which aimed at revitalization of the regions, the requirements for registration of trademarks were partially relaxed and it became possible to register trademarks which consist of [region name + product (service) name]. Until now, eligible entities have been relatively restricted, including business cooperatives and equivalent foreign juridical persons. However, in recent years, Associations and Chambers of Commerce and Industry, and NPOs have shared the burden of promotion of new regional brands. And thus, it has been decided that Associations and Chambers of Commerce and Industry, and NPOs, as well as equivalent foreign juridical persons, will be added to the list of entities eligible to register Regional Collective Trademarks (Article 7<sup>bis</sup> of the revised Trademark Law).