Session 1
Patent prosecution practice in Japan
Tips for obtaining a patent in Japan
- Part I -

Toshinori Tanno
Takeo Nasu
Hiroyasu Ninomiya

Japan Patent Attorneys Association
International Activities Center
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1. Statistical Data
Grant Rate of Patent Applications

<table>
<thead>
<tr>
<th>Year</th>
<th>Grant Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>54.9</td>
</tr>
<tr>
<td>2011</td>
<td>60.5</td>
</tr>
<tr>
<td>2012</td>
<td>66.8</td>
</tr>
<tr>
<td>2013</td>
<td>69.8</td>
</tr>
<tr>
<td>2014</td>
<td>69.3</td>
</tr>
<tr>
<td>2015</td>
<td>71.5</td>
</tr>
</tbody>
</table>
2. Subject Matter of Patent Protection

Definition of Invention (JP Patent Law Art. 2, Par. 1)

“Highly advanced creation of technical idea utilizing the laws of nature.”

- Statutory inventions include:
  - Products
  - Methods
  - Process for producing products

- Inventions do not include:
  - Techniques
  - Medical procedures
  - Artificial rules
2. Subject Matter of Patent Protection

◆ The following, for example, are excluded from the definition of “statutory inventions” because they are not “the creation of technical ideas utilizing the law of nature”:

✓ A law of nature as such (e.g., a law of preservation of energy)
✓ Mere discoveries and not creations (e.g., discovery of natural phenomena)
✓ “Inventions” contrary to the law of nature (e.g., so-called “perpetual motion”)
✓ “Inventions” in which a law of nature is not utilized (e.g., a rule for playing a game)
✓ “Inventions” not regarded as technical ideas (e.g., personal skills)
✓ “Inventions” for which it is clearly impossible to solve the problem to be solved by any means presented in a claim
2. Subject Matter of Patent Protection

- JP Patent Law Art. 29: “Any person who has made an invention which is **industrially applicable** may obtain a patent therefor”

- The following, for example, are **excluded** from the definition of “industrially applicable”:
  - Inventions of methods of surgery, therapy or diagnosis of humans
  - Commercially inapplicable inventions (only applicable for personal use, or for academic or experimental purposes)
  - Obviously impracticable inventions
2. Subject Matter of Patent Protection

◆ Computer-implemented invention

➢ Computer-implemented inventions can qualify as a “statutory invention” when

“the computer-implemented invention utilizes a law of nature.”

➢ What is “utilizing a law of nature” to a computer-implemented invention?

“Information processing by a software is concretely realized with a hardware resource”
2. Trends of Computer-implemented Invention
3. Typical Examination Procedure

In principle, the same reason for refusal twice will result in a final notification.
3. Timeline of Examination Procedure

**Convention application**

- **Filing of an application**
  - Within 3 years

- **Filing of an examination request**
  - Less than 11 months on average
  - Within 3 years

- **First OA - Reasons for refusal - Allowance**
  - Less than 16 months on average
  - Within 3 months*

- **Filing of Response - Written argument - Amendment**
  - Within 3 months*
  - *: Extendable at most 3 months

- **Decision of - Refusal - Allowance**
  - Less than 16 months on average
3. Timeline of Examination Procedure

◆ PCT National Stage Application

Within 30 months from PCT Filing or priority date

Filing of a national stage application

Filing of an examination request

First OA - Reasons for refusal - Allowance

Filing of Response - Written argument - Amendment

Decision of - Refusal - Allowance

Submission of Japanese translation

Within 2 months

Within 3 years from PCT filing

Less than 11 months on average

Within 3 months* - Extendable at most 3 months

Less than 16 months on average
4. Divisional Application

◆ What is a “divisional application”?  
An invention which is not claimed in the original application but is supported by the specification can be claimed in a divisional application.

◆ When to consider filing a divisional application?
  ➢ A claimed invention of the original application does not cover your product.
  ➢ Allowed claims do not cover other’s products similar to yours.
4. Divisional Application

◆ Conditions of Divisional Application

➢ Subject Matter Requirement

✓ A claimed invention in a divisional application is disclosed in the original application.

✓ The invention claimed in the divisional application is not identical to the invention claimed in the original application.

➢ Timing Requirement

✓ Any time before a first office action issues;

✓ Within 3 months from the Notification of Reasons for Refusal;

✓ Within 30 days from the Notice of Allowance; or

✓ Within 4 months from the Decision of Rejection.
Within the red periods, a divisional application can be filed.
5. Expedite Examination

◆ Average regular examination period in 2014
  ➢ Until first action : 9.3 months
    (from request for substantive examination)
  ➢ Until final decision : 15.2 months
    (from request for substantive examination)

❖ The examination period can be shortened under either:
  ✓ Patent Prosecution Highway (PPH) System
  ✓ Accelerated Examination
5. Expedite Examination

◆ What is PPH (Patent Prosecution Highway) System?
  ➢ You can use your positive result regarding an invention claimed in a US or PCT application to expedite examination of a Japanese patent application.

**US patent application**
- Claim A : Allowed
- Claim B : Allowed

**International Search Report**
- Claim A : No prior art regarding inventive step
- Claim B : No prior art regarding inventive step

Examination procedure of a corresponding JP patent application can be expedited.
5. Expedite Examination

What is PPH (Patent Prosecution Highway) System?

**US patent application**
- Claim A: Allowed
- Claim B: Allowed

**International Search Report**
- Claim A: No prior art regarding inventive step
- Claim B: No prior art regarding inventive step

**Corresponding JP patent application**
- Claim 1: Same as Claim A
- Claim 2: Same as Claim B

Examination procedure can be expedited under the PPH system.
5. Expedite Examination

◆ PPH (Patent Prosecution Highway) System

➢ Advantageous Effects

✓ Shortens the examination period to:

2.4 months (on average as of June 2015)

➢ Shortens the examination period (First Action pendency) compared to that of a regular examination (9.3 months) by about 7 months.

➢ Makes the total examination period shorter than that of a regular examination (15.2 months).

✓ Higher grant rate:

86.3% (on average as of June 2015 not including PCT-PPH)

➢ Grant rate of the normal procedure: 71.5% on average in 2015.
5. Expedite Examination

◆ Accelerated Examination

➢ Advantageous Effects

✔ Shortens the examination period to

2 months (on average)

➢ Shortens the examination period (First Action pendency) compared to that of a regular examination (9.3 months) by about 7 months.

➢ Makes the total examination period shorter than that of a regular examination (15.2 months).
5. Expedite Examination

◆ Application Procedure PPH vs Accelerated Examination

☐ PPH Application Document

✔ Formal information of the original US or PCT application.

☐ Accelerated Examination Application Document

✔ Formal information of the applicant or an invention.

✔ Explanation about difference between the patent application and prior art*.

*Prior art: searched by the applicant.

PPH application procedure is much easier.
Thank you for your attention

Toshinori Tanno, Unias Patent Attorneys Office
tanno@unius-pa.com

Takeo Nasu, Nakamura & Partners
t_nasu@nakapat.gr.jp

Hiroyasu Ninomiya, Sonderhoff & Einsel Law and Patent Office
ninomiya@se1910.com
Session 1
Patent prosecution practice in Japan
Tips for obtaining a patent in Japan
- Part II -
S1 The Characters

US attorney: Seattle: Robert J.M. Lee
Palo Alto: David Ahn

JP Patent attorney ①: Hiroyasu Ninomiya
JP Patent attorney ②: Toshinori Tanno
Narrator and Commentator: Takeo Nasu
The inventor wanted to sell his invention in the US and JP. He wanted to obtain patent right in the US and Japan. The Japanese product launch was several years after the US launch.

For that reason, the US patent application was filed, followed by a PCT application claiming priority based on the US application. JP national phase application was filed when the Japanese business was launched.

The US application was allowed.

For the Japanese application, a request for PPH was filed with the US allowed claims and the JP application was also granted.

However, before selling his patented products in Japan, a competitor began selling in Japan similar products made in China. Those similar products were not within the scope of the claims.

In order to catch the competitor’s products, a divisional application was filed within 30 days from the date of notice of allowance.

An allowance was issued for the divisional application as well, and the competitor’s products were excluded from the Japanese market.
S3 Please look at the "erasable ballpoint pen" that is distributed.
E-mail from Mr. Drump

Subject: Inquiry – US and JP patent application
To: *****@*****
Fr: Drump@*****

1. The features of invention are the following;
   1) Ink is erasable by frictional heat.
2. Sales schedule
   US: in one month
   JP: in a few years, depending on sales forecasts
3. Tell me the procedure for filing a JP patent application.
4. Tell me official fees from filing to grant.
5. Tell me the patent registration fee and annuity fee.
S5  Nino-Tan IP firm in Japan
S6 You got a mail
Hi Nino and Mr. Tan,

Mr. Drump who founded his corporate empire based on inventions is interested in filing a patent application in Japan. Please send me the following information.

1. The procedure for filing a JP patent application.
2. Official fees from filing to grant.
3. The patent registration fee and annuity fees.
S8  Timeline of Examination Procedure

◆ PCT National Stage Application

Within 30 months from PCT Filing or priority date

- Filing of a national stage application
- Filing of an examination request
- First OA
  - Reasons for refusal - Allowance
- Filing of Response
  - Written argument - Amendment
- Decision of
  - Refusal - Allowance

Within 2 months
- Submission of Japanese translation

Within 3 years from PCT filing

- Less than 11 months on average
- Within 3 months*
  *: Extendable at most 3 months

Less than 16 months on average
S9 Costs to Obtain Patent

◆ Cost to file a patent application
  ➢ USD 124 (≒ JPY 14,000)  
  ➢ USD 195 (≒ JPY 22,000) for foreign language application (non-Japanese language)

◆ Cost to file an examination request
  ➢ Convention application:
    USD 1,044 (≒ JPY 118,000) + USD 35 (≒ JPY 4,000) for each additional claim
  ➢ PCT National Stage Application
    USD 937 (≒ JPY 106,000) + USD 32 (≒ JPY 3,600) for each additional claim

◆ Typical service fee for filing a JP patent application (including JP translation)
  USD 4,000 to USD 6,000
### S10 Official fees of patent registration and maintenance

<table>
<thead>
<tr>
<th>Years</th>
<th>Maintenance fees</th>
<th>Example (10 claims)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; to 3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>2100 + 200 × number of claims per year</td>
<td>4100 *USD1/YEN113 = <strong>USD 108</strong>&lt;br&gt;The fee must be paid at once.</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; to 6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>6400 + 500 × number of claims per year</td>
<td>11400*USD1/YEN113=<strong>USD 100 per year</strong></td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt; to 9&lt;sup&gt;th&lt;/sup&gt;</td>
<td>19300 + 1500 × number of claims per every year</td>
<td>34800*USD1/YEN113=<strong>USD 308 per year</strong></td>
</tr>
<tr>
<td>10&lt;sup&gt;th&lt;/sup&gt; to 25&lt;sup&gt;th&lt;/sup&gt;</td>
<td>55400 + 4300 × number of claims per year</td>
<td>98400*USD1/YEN113=<strong>USD 870 per year</strong></td>
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Comparison of the maintenance fees between USPTO and JPO

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<thead>
<tr>
<th></th>
<th>USPTO</th>
<th>Maintenance fees</th>
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<tbody>
<tr>
<td>Registration fee</td>
<td>USD 960</td>
<td></td>
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<tr>
<td>Due at 3.5 years</td>
<td>USD 1,600</td>
<td></td>
</tr>
<tr>
<td>Due at 7.5 years</td>
<td>USD 3,600</td>
<td></td>
</tr>
<tr>
<td>Due at 11.5 years</td>
<td>USD 7,400</td>
<td></td>
</tr>
</tbody>
</table>
Allowance rate of major patent offices

Changes of Patent allowance rate

- JPO
- USPTO
- KIPO
- EPO
E-mail from US attorney

Subject: Urgent Inquiry – Divisional application
To: Nino@*****
Fr: US@*****

Hi Nino and Mr. Tan
Thank you for sending the notice of the patent allowance. I would like to pay registration fee for 1-3 years within 30 days. In addition, I just learned of a big problem. A competitor in Japan is selling similar products made in China. However, the scope of the patent claims does not cover these competing products.
What can we do? Is there something similar to a continuation application in Japan to obtain additional patent coverage?
S  You got a mail
1. Divisional application can be filed within 30 days from the notice of patent allowance.
2. 30 days extension is available by filing a request for extension.
3. Request for examination should be filed within 30 days from the filing date of the divisional application.
4. Claims can be amended when filing the request for examination.
5. Request for accelerated examination can be submitted (1st OA: 2mos).
S16 about going from filing the divisional application to grant and injunction.

1. Request for 30 days extension was filed within 30 days from the allowance.
2. Divisional application with the original claims was filed within 60 days from the allowance.
3. Request for examination was made 30 days from the filing of the divisional application. Also, the request for accelerated examination was submitted at the same time. The claims were amended so as to include the similar products in the scope of patent claims when filing the request for examination.
4. Application was allowed.
5. Filed before a court an injunction forbidding the competitor selling the products.
6. Excluded the infringing products from the Japanese market.
Summary: Key Points

- Allowance Rate in Japan is over 70%
- PPH is available based on the US allowed claims (Allowance Rate: more than 80%, 1st OA: 2mos.)
- A divisional application can be filed
  - before first office action
  - within the period for response to office action
  - 30 days (extensible) from a notice of allowance
- Eligibility & Allowance Rate for computer-implemented Invention
  - Information processing by a software is concretely realized with a hardware resource
  - Allowance Rate is over 60%
- Cost for filing and maintaining patent is low
Thank you for your attention