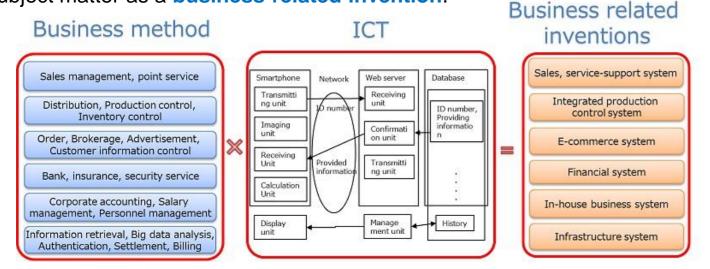
Recent Japan IP Updates for Startups and SMEs



(1) Startups file patent applications in the field of Business-related invention

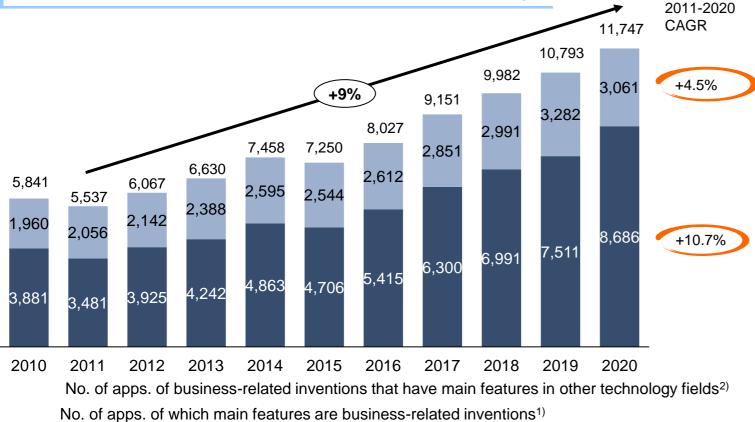
X-Tech (e.g., Fintech, Legaltech, Edtech, etc.) startups are providing value by realizing new business schemes with web services, apps, etc.

An idea of the business model itself is not eligible subject matter for a patent. On the other hand, an invention which is realized using ICT would be eligible subject matter as a **business-related invention**.



Source: JPO, Recent Trends in Business-related Inventions (Nov. 2022) https://www.jpo.go.jp/e/system/patent/gaiyo/recent_trends_biz_inv.html

(2) Number of business-related patent application filings



Note 1: "Applications of which main features are business-related inventions" refers to an application classified into G06Q as main FI. Note 2: "Applications that are business-related inventions that have main features in other technical fields" refers to an application classified into G06Q as FI and also classified into other FIs as main FI. Source: JPO, Recent Trends in Business-related Inventions (Nov. 2022)

https://www.jpo.go.jp/e/system/patent/gaiyo/recent_trends_biz_inv.html

(5) Requirements for Super Accelerated Examination

Requirements

 "Internationally filed¹)" and the invention is "reduced to practice²)" OR filed by a startup and the claimed invention is "reduced to practice."

*1) **Internationally filed**: JP application needs to have a counterpart application in a foreign country (including PCT application).

*2) Reduced to practice: The applicant has **already implemented the invention** or **plans to implement the invention within two years** from the filing date of a request for accelerated examination.

- 2. All documents should be filed online within 4 weeks before the date of the request for the super accelerated examination.
- 3. No JPO fee is required for this request.

Response for the OA **must be made within 2 months** for overseas applicants. Otherwise, it becomes a regular accelerated examination.

(6) Fee reduction program for startups

Startups can receive fee reduction, and the requirements for "startup" are the same as those in Super Accelerated Examination.

Requirements

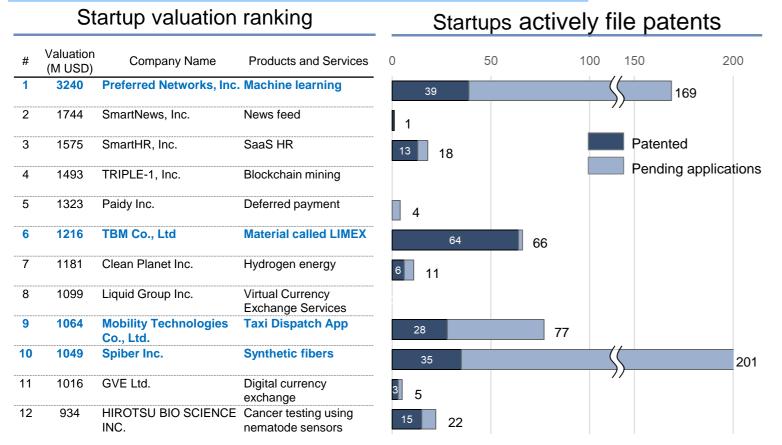
- A startup must meet the following 3 requirements:
- Established within 10 years,
- Stated capital does not exceed 300M yen (about 2.1M USD),
- Not controlled by a large company (stated capital exceeds 300 million yen).

Fee reduction

- Request for examination fee: reduced to 1/3
- Patent registration and maintenance fees: reduced to 1/3

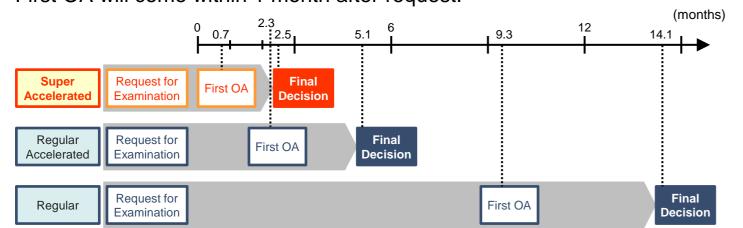
(7) Fee reduction program for Small & Medium Enterprises (SMEs)

(3) Tech oriented startups actively file patent applications



Source: STARTUP DB Valuation Ranking of JP Startups (9/2021); Analyzed by Ace-ai with Questel Cyberpatent; (1/2/2022)

(4) Super Accelerated Examination



First OA will come within 1 month after request.

• First Office Action comes in less than 1 month and final disposition comes in 3 months at average in 2020.

• The applicant can conduct the interview with the examiner before the First Office Action in order to explain the background and business importance of the invention.

Source: JPO, Outline of Super Accelerated Examination. https://www.jpo.go.jp/e/system/patent/shinsa/jp-super_soki/

Requirements

- A SME must meet all of the following requirements
 - Any corporation that meets one of the following conditions
 - Not controlled by a large company (stated capital exceeds 300M yen (about 2.1M USD)).

Industry	Number of employees	Amount of capital
Manufacturing, construction, transportation, other industries (excluding those included in (b) to (g))	Up to 300	Up to 300M yen (about 2.1M USD)
Wholesale	Up to 100	Up to 100M yen
Services (excluding those included in (f) and (g))*	Up to 100	Up to 50M yen
Retail	Up to 50	Up to 50M yen
Rubber products manufacturing industry (excluding automobile or aircraft tire and tube manufacturing industry and belt manufacturing industry)	Up to 900	Up to 300M yen
Software service industry or information processing service industry	Up to 300	Up to 300M yen
Hotel business	Up to 200	Up to 50M yen
	Manufacturing, construction, transportation, other industries (excluding those included in (b) to (g)) Wholesale Services (excluding those included in (f) and (g))* Retail Rubber products manufacturing industry (excluding automobile or aircraft tire and tube manufacturing industry and belt manufacturing industry) Software service industry or information processing service industry	IndustryemployeesManufacturing, construction, transportation, other industries (excluding those included in (b) to (g))Up to 300WholesaleUp to 100Services (excluding those included in (f) and (g))*Up to 100RetailUp to 50Rubber products manufacturing industry (excluding automobile or aircraft tire and tube manufacturing industry and belt manufacturing industry)Up to 300Software service industry or information processing service industryUp to 300

Fee reduction

- Request for examination fee: reduced to 1/2
- Patent registration and maintenance fees: reduced to 1/2

(8) Procedure for reduction is very simple, just add one sentence

Applications for which a request for examination is filed on or after April 1, 2019, submission of "Certificates" for the startup requirement is no longer required for the reduction application procedures.

<u>Simply state the following sentence on the Request for Examination or the</u> Patent Fee Payment Form:

* "the application is subject to receiving a reduction" and "the submission of a reduction application is omitted".

Source: JPO, Leaflet of a new patent fee reduction/exemption program. https://www.jpo.go.jp/system/process/tesuryo/genmen/genmen20190401/document/index/leaflet_e.pdf