

## JAPANESE IP LAW REFORM 2011

The "Act on Partial Revision of the Patent Act, etc." was issued on June 8, 2011. The amendments aim at developing systems that assure the proper protection/exploitation of IP and thereby achieve growth in the Japanese economy through innovation. The law will come into effect on April 1, 2012.

### Outline

Outline of the Legal Amendments by the bill is as follows:

**1) Review of the System of Perfection of a Non-Exclusive License, etc. (Bolstering the Protection of Licensing Agreements (Introduction of a System of Automatic Perfection))**

It was decided to introduce a system that makes it possible for nonexclusive licenses to have an effect, without being registered, on later-acquirers of a patent or an exclusive license for the patent (called a system of "automatic perfection") in order to properly protect non-exclusive licenses and ensure stable and sound corporate activities. In addition, it was decided to introduce the same kind of system for provisional non-exclusive licenses, which are granted for inventions when a patent application is pending.

**2) Development of Remedial Measures for Misappropriated Applications, etc. (Appropriate Protection of the Results of Joint Research / Joint Development)**

It was decided to enable a true inventor or a rightful assignee of the invention to request the person who has filed a misappropriation, etc. to transfer the patent right pertaining to the relevant patent based on his/her possession of the right to obtain a patent where the patent has been granted for the misappropriation, etc.

**3) Prohibition on Filing with the JPO a Request for a Correction Trial after Filing with the IP High Court a Lawsuit to Rescind a Trial Decision (審決取消訴訟提起後の訂正審判の請求)**

## の禁止)

A patentee is prohibited from filing with the JPO a request for a correction trial after filing with the IP High Court a lawsuit to rescind the decision of patent invalidation trial. Moreover, under the new system, the panel who are going to determine to invalidate the patent in question must disclose to the parties its determination in advance when the time is ripe for a trial decision ("advance notice of a trial decision"), and then the patentee is given an opportunity to correct the patent in response to the advance notice.

### **4) Restriction on Assertions in Retrial of a Court Judgment in Patent Infringement Lawsuit (再審の訴え等における主張の制限)**

The new system restricts assertions in retrial by stipulating that once a judgment in a patent infringement lawsuit has become final and binding the parties of the patent infringement lawsuit will not be allowed to assert in its retrial that a subsequent JPO trial decision to invalidate or correct the patent has become final and binding.

### **5) Development of Provisions on the Scope of a JPO Trial Decision that Has Become Final and Binding, etc. (審決の確定の範囲等に係る規定の整備)**

The new Patent Act sets out provisions to clarify the scope of a finalized trial decision in a case where a single request for correction of a patent was filed for multiple claims.

The new Patent Act also clarifies that a request for correction in a patent invalidation trial and a request for a correction trial may be filed with respect to each claim.

### **6) Abolition of the (Double Jeopardy) Effect, on Third Parties, of a Final and Binding Trial Decision in a Patent Invalidation Trial (無効審判の確定審決の第三者効の廃止)**

The new Patent Act abolishes the prohibition of double jeopardy on third parties of a trial decision in a patent

invalidation trial, etc., so that third parties who have not yet been involved in the earlier trials may file a request for another trial based on the same facts and evidence as the previous trials.

**7) Review of Fees**

a. Review of the Fee Reduction/Exemption System for Small and Medium Sized Enterprises, SMEs, etc. (Expansion of the Patent Fees, etc. Reduction / Exemption System)

b. Review of Design Registration Fees ( Design Registration Fees Reduction)

c. Review of Fees, etc. Pertaining to International Applications ( International Application Fees, etc. Reduction)

**8) Review of Provision on Exception to Lack of Novelty of Invention, etc.**

It was decided to expand the scope of application of the provision on the exception to the lack of novelty of an invention. Inventions that have become publicly known "as a result of an act of the person having the right to obtain a patent" will be covered by the provision so as to protect inventions that have become publicly known through forms of publication, broadcasting and telecommunications.

**9) Review of Relief Procedures for Applicants and Patentees**

It was decided to make amendments toward conforming to the PLT in order to make the relief procedures for the lapse of the time limit more effective. If there are justifiable reasons for the lapse of the time limit for the submission of Japanese translations of a foreign language application or a patent application in a foreign language, the applicant is allowed to submit the Japanese translations through the relief procedures within one year from the expiration of the time limit and within two months from the date on which the reasons ceased to exist.

In addition, it was decided to relax the relief requirements with regard to the late payment of patent fees and surcharges (Article 112-2 of the Patent Act) from

"reasons not attributable to the original patentee" to "justifiable reasons".

**10) Abolition of Provision on Refusal of a Trademark Application within One Year from the Date of the Extinguishment of a Another Person's Trademark Right (商標権消滅後1年間の登録排除規定の廃止)**

It was decided to abolish the provisions of Article 4(1)(xiii), which refuse applications filed by persons other than the original holders of the trademark rights within one year from the extinguishment of the trademark rights.

**For More Details**

You may find more detailed information in "Part 2 Government Efforts in Intellectual Property Activities, Chapter 7 Legal Amendments in 2011" of "Japan Patent Office Annual Report 2011", which can be obtained from Japan Patent Office's website, [http://www.jpo.go.jp/cgi/linke.cgi?url=/shiryou\\_e/toushin\\_e/kenkyukai\\_e/annual\\_report2011.htm](http://www.jpo.go.jp/cgi/linke.cgi?url=/shiryou_e/toushin_e/kenkyukai_e/annual_report2011.htm).