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Reintroduction of Opposition System for Patents

Summary

The Opposition System for Patents is reintroduced by the Patent Law Revision of 2014. The former Opposition System for Patents under the previous law of 2003 was abolished, by integrating the Opposition System into the Invalidation Trial System.

The new Opposition System applies to all patents published in a patent bulletin after April 1, 2015. Under the system, any person may file an Opposition within six months from the date of publication of the patent bulletin for the reasons explicitly listed in new Article 113 (i.e. lack of patentability and so on). The Patentee can file an Argument and/or a Request for Correction to amend the patent claims in response to an Official Action notifying Reasons for Patent Revocation. Further, an Opponent can file an Argument in the case where the Patentee files a Request for Correction. The Patentee can file a lawsuit before the IP High Court against the decision revoking the patent, but neither the Patentee nor the Opponent can file a lawsuit against the decision for maintenance of the patent.

The new Opposition System is expected to have some merits compared with the Invalidation Trial System, such as lower cost and the ability of a third party to take action anonymously.

1. Concerning the Patent Law Revision of 2014

The Japan Patent Office announced that the Patent Law Revision will be effected on April 1, 2015. The following are the main subjects introduced into the Patent Law by this revision.

- (i) “Enlargement of Relief Measures for Overdue Cases”: Some provisions are introduced to enable extension of procedural terms when encountering unavoidable circumstances; and
- (ii) “Reintroduction of Opposition System for Patents”: The Opposition System for Patents was abolished in

2003 and was integrated into the Invalidation Trial System, but is being reintroduced after 11 years.

The reintroduced Opposition System for Patents is expected to be used in particular by third parties who would like to avoid a significant procedural burden and high expenses. This article will provide details of the reintroduced Opposition System for Patents.

2. Contents of the Opposition System for Patents

The “Opposition System for Patents” is a system in which any person may file an Opposition against a

patent within 6 months from the date of publication of the patent (Article 113, main paragraph). The reasons for Opposition are explicitly stated in the provision of the revised Patent Law (Article 113, items 1 to 5). When the decision for revocation of a patent becomes final and conclusive, the patent right should be retroactively deemed to be non-existent from the patent registration date (Article 114, Par. 3).

The reintroduced Opposition System is common with the Invalidation Trial System in that both systems aim at nullifying a subject patent right. However, the Opposition System is different from the Invalidation Trial System in that the Opposition System is for the purpose of serving the public interest via reexamination of propriety of a decision made by the Japan Patent Office to grant a patent and for the purpose of reviewing the decision to determine whether the patent contains any defects, to enhance the reliability of the patent, while the Invalidation Trial System is for use as a means of settling inter partes disputes.

(1) Person who can file an Opposition

Any person may file an Opposition to a patent right in the reintroduced Opposition System (Article 113, main paragraph). The term “any person” includes a person who does not have an interest in the patent, but is not considered to include the Patentee.

Under the revised Patent Law, the Invalidation Trial System is also changed. Namely, a person who can file a request of Invalidation Trial stipulated in Article 123, Par. 1 is revised to “an interested party or individual” and, therefore, a person who does not have an interest in the patent will not be able to request an Invalidation Trial.

(2) Period for filing Opposition

Opposition may be filed only within “six months” from the date of publication of the patent (Article 113, main paragraph). The period of “six months” is determined from the viewpoint that the person who wishes to file the Opposition should have necessary and sufficient time to understand the patented invention, to conduct a search of the related art, and then to prepare and file an Opposition.

(3) Reasons for Opposition of Patent

The Reasons for Opposition of Patent are explicitly listed in the revised law as follows (Article 113, items 1 to 5):

- (i) Amendment to add a new matter ;
- (ii) Deficiency in “capacity of right of a foreigner,”
Lack of “Patentability” (such as Novelty,
Inventive Step, Description and so on),
Unpatentable subject matters, and Lack of first-
to-file requirement ;
- (iii) Deficiency in “treaty”;
- (iv) Lack of written description requirement;
- (v) A new matter outside the scope of the original
text of a foreign language application.

These reasons for Opposition are basically the same as those of an Invalidation Trial (Article 123, Par. 1, each item). However, the reasons relating to ownership of rights between the persons concerned (such as a so-called misappropriated patent application and deficiency in a joint application) are to be dealt with only by Invalidation Trial.

(4) Opposition Request Procedure and Official Fees

A person who wishes to file an Opposition is required to submit a Written Opposition with statement of Reasons (Article 115, Par. 1). In the case where the patent contains two or more claims, an Opposition can be filed for each claim (Article 113, main paragraph).

A Written Opposition can be amended while the Opposition is pending at the Japan Patent Office (Article 17, Par. 1). Though the provision prohibits filing an amendment to change the gist of the Written Opposition as a rule (Article 115, Par. 2), the provision allows filing of an amendment to change the gist of the Written Opposition only relating to Reasons of Opposition and necessary evidence, until the earlier time limit of whether the expiration of Period for filing Opposition or the issuance of an Official Action notifying Reasons for Patent Revocation (Article 115, Par. 2, the proviso). The Official Fee for filing an Opposition is the sum of ¥16,500 (as a basic fee) and ¥2,400 for each of the claims against which the opposition is made (as an

additional fee).

(5) Opposition Examination Procedure

A collegial body consisting of three or five opposition examiners conducts an opposition procedure and issues a decision (Article 114, para 1). An Opposition procedure is different from an Invalidation Trial procedure in that the Opposition procedure is basically conducted by documentary proceedings (Article 118, para 1), while the Invalidation Trial procedure is conducted based on oral proceedings (Article 145, para 1). Once an Opposition has been filed, the collegial body can continue the Opposition procedure even in the case where the person concerned or intervener does not take necessary action (Article 152 applied to the Opposition system) and can examine “reasons” that are not raised by the Opponent (Article 120^{bis}, Par. 1). However, the collegial body cannot examine “claims” that are not raised in the Written Opposition (Article 120^{bis}, Par. 2).

In the case where two or more Oppositions are filed for a single patent right, the Opposition procedure for each Opposition will be combined unless there are any exceptional circumstances (Article 120^{ter}, Par. 1), but may further be separated afterward (Article 120^{ter}, Par. 2).

Further, an interested party can intervene in the Opposition procedure as an intervener, for the purpose of assisting the patentee (Article 119).

When the collegial body of opposition examiners considers that there are Reasons for Patent Revocation as a result of Opposition Examination Procedure, the collegial body will issue an Official Action notifying Reasons for Patent Revocation and provide the Patentee with an opportunity to file an Argument (Article 120^{quinquies}, Par. 1).

(6) Possible Action by the Patentee

When the Patentee receives an Official Action notifying Reasons for Patent Revocation, the Patentee can file an Argument within the specified period (i.e., 60 days for domestic residents and 90 days for overseas residents) and, as necessary, can also file a Request for Correction to amend the specification and/or the claims (Article

120^{quinquies}, Pars. 1 and 2). When the Patentee wishes to correct the claims, the Request for Correction should be filed for each claim, or for each “group of claims” if the Opposition was filed for the “group of claims”(Article 120^{quinquies}, Pars. 3 and 4). The correction shall be limited to the following:

- (i) restriction of the scope of claims;
- (ii) correction of errors or incorrect translations;
- (iii) clarification of an ambiguous statement; and
- (iv) revision of a claim that refers to another claim to be described without referring to the other claim.

When the request for correction does not satisfy the requirements of correction (Article 120^{quinquies}, Par. 5), the collegial body of the opposition examiners issues an official Notification of Reasons for Rejection of Correction. In response to the official notification, the Patentee can further amend the specification and/or the claims, which are the subject for correction (Article 17^{quinquies}, Par. 5, and Article 126, Pars. 5 - 7 applied to the Opposition system).

(7) Possible Action by the Opponent

In the case where the Patentee files the request for correction, the Opponent can file an Argument within the specified periods (i.e., 30 days for domestic residents and 50 days for overseas residents) (Article 120^{quinquies}, Par. 5). However, the collegial body of opposition examiners may not provide the Opponent with an opportunity to file an Argument when the Opponent provides an explicit offer stating that the Opponent does not wish to file an Argument or when the chief opposition examiner acknowledges that it is not necessary to provide the Opponent with an opportunity to file an Argument (Article 120^{quinquies}, Par. 5, the proviso).

(8) Advance Notice of Decision and Opposition Decision

When the collegial body of opposition examiners intends to issue a decision for revocation of a patent, the collegial body should preliminarily issue another Official Action notifying Reasons for Patent Revocation including an explicit statement of “Advance Notice of

Decision.” In response to “Advance Notice of Decision,” the Patentee can file an Argument and can also file a Request for Correction of the specification, the claims and so on (Article 120^{quinquies}, Pars. 1 and 2). However, in the case where the Patentee has not responded to the previously notified Reasons for Patent Revocation (as explained in section (5)) or has explicitly stated that Advance Notice is not necessary, the collegial body of opposition examiners will issue a final decision without issuing the Advance Notice.

On the other hand, when the Patentee files a Request for Correction of the specification and/or the claims in response to the Advance Notice, the collegial body of the opposition examiners should provide the Opponent with an opportunity to file an Argument unless there are any exceptional circumstances.

Then, the collegial body of opposition examiners finally issues a decision for revocation of a patent when the collegial body considers that the patent should be revoked on the ground of any of the Reasons for Opposition of patent (Article 114, Par. 2), while the collegial body issues a decision for maintenance of a patent when the collegial body considers that the patent does not contain any Reasons for Opposition (Article 114, Par. 4). The Patentee can bring an action against the decision for revocation of a patent before the IP High Court (Article 178, Par. 1), while any action against a decision for maintenance of a patent shall not be accepted from any person (Article 114, Par. 5).

In the case where an Opposition is requested for individual claims, the decision generally becomes final and conclusive for each claim. However, in the case where the Patentee files a request for correction for each “group of claims” in response to an Opposition, the decision becomes final and conclusive for each “group of claims” (Article 120^{septies}).

3. Background of Reintroduction of the Opposition System for Patents

Under the Opposition System for Patents under the previous law (hereinafter referred to as “former System”), about 8,000 Opposition cases were requested per year at the peak period and, even in the year 2003

when the former System was discontinued, 3,896 Opposition cases were still requested. On the other hand, even after discontinuation of the former System, the number of Invalidation Trial cases remained at the level of about 300 cases per year, similar to the level before the discontinuation of the former System, by which it was concluded that the patent law revision of 2003 did not accomplish the purpose of its revision to integrate the former System into the Invalidation Trial System. Instead, since the number of cases of Offer of Information by a third party was about 4,700 in 2003, which increased to about 7,000 cases in 2005, the system of Offer of Information by a third party substantially functions as an alternative means of the former System.

On the other hand, since the Japan Patent Office advances toward a goal of so-called “FA11,” by which it is intended to issue a First Action within 11 months from filing of a Request for Examination, it is generally expected that a third party who wishes to use the system of Offer of Information during the examination procedure has to prepare such information within the limited period of time when the goal “FA11” would be achieved. Therefore, in the background of reintroduction of the Opposition system, the public examination function that is now secured by the system of Offer of Information will again be effected by the Opposition system.

Further, when a third party demands an Invalidation Trial, it is necessary to discuss preliminarily the budget for the future judicial cost and workload necessary for possible litigation seeking revocation of a trial decision. In addition, even when an Invalidation Trial is anonymously demanded, once the case proceeds to litigation to revoke a trial decision, it is difficult to assure complete anonymity of the Demandant of the Invalidation Trial. Therefore, it is generally considered that, as compared to the Opposition system for Patents, there is a relatively significant psychological hurdle when deciding to demand an Invalidation Trial, quite a few people do not need for reintroduction of the Opposition System.

4. Improvement in Reintroduced Opposition System

Upon reintroducing the Opposition System, it should be noticed that some problems of the former System have been resolved.

In the former System, since an Opponent was not allowed to become involved in the Opposition procedure as a party interested after filing a Written Opposition, the Opponent cannot necessarily continue the Opposition procedure favorably. Under the reintroduced Opposition System, since the collegial body of opposition examiners provides the Opponent with an opportunity to file an Argument in response to the request for correction by the Patentee, as described above, it is possible to conduct a more efficient Opposition procedure because the reintroduced Opposition System enables the Opponent to provide an appropriate Argument during the Opposition procedure, in addition to the opposition examiners' procedure.

Further, from the viewpoint of accelerating the Opposition procedure, an amendment to change the gist of the Written Opposition relating to Reasons of Opposition and necessary evidence should be filed only during the limited period (i.e., until the earlier time limit of whether the expiration of Period for filing Opposition or the issuance of an Official Action notifying Reasons for Patent Revocation) (Article 115, Par. 2, the proviso). In the reintroduced Opposition System, the Opposition procedure is conducted by documentary proceedings only (Article 118, Par. 1), different from the former System in which the oral proceedings had been permitted. Therefore, the reintroduced Opposition System contemplates settlement of the Opposition cases in a shorter period and stabilization of the patent right at an earlier stage.

5. Conclusion

After enforcement of the revised Patent Law, it is true that the Patentee will have to bear a greater burden than previously due to the necessity of taking further protective measures for the patent right. However, in the case where the patent contains any defects, the Patentee will be able to remedy such defects by filing a

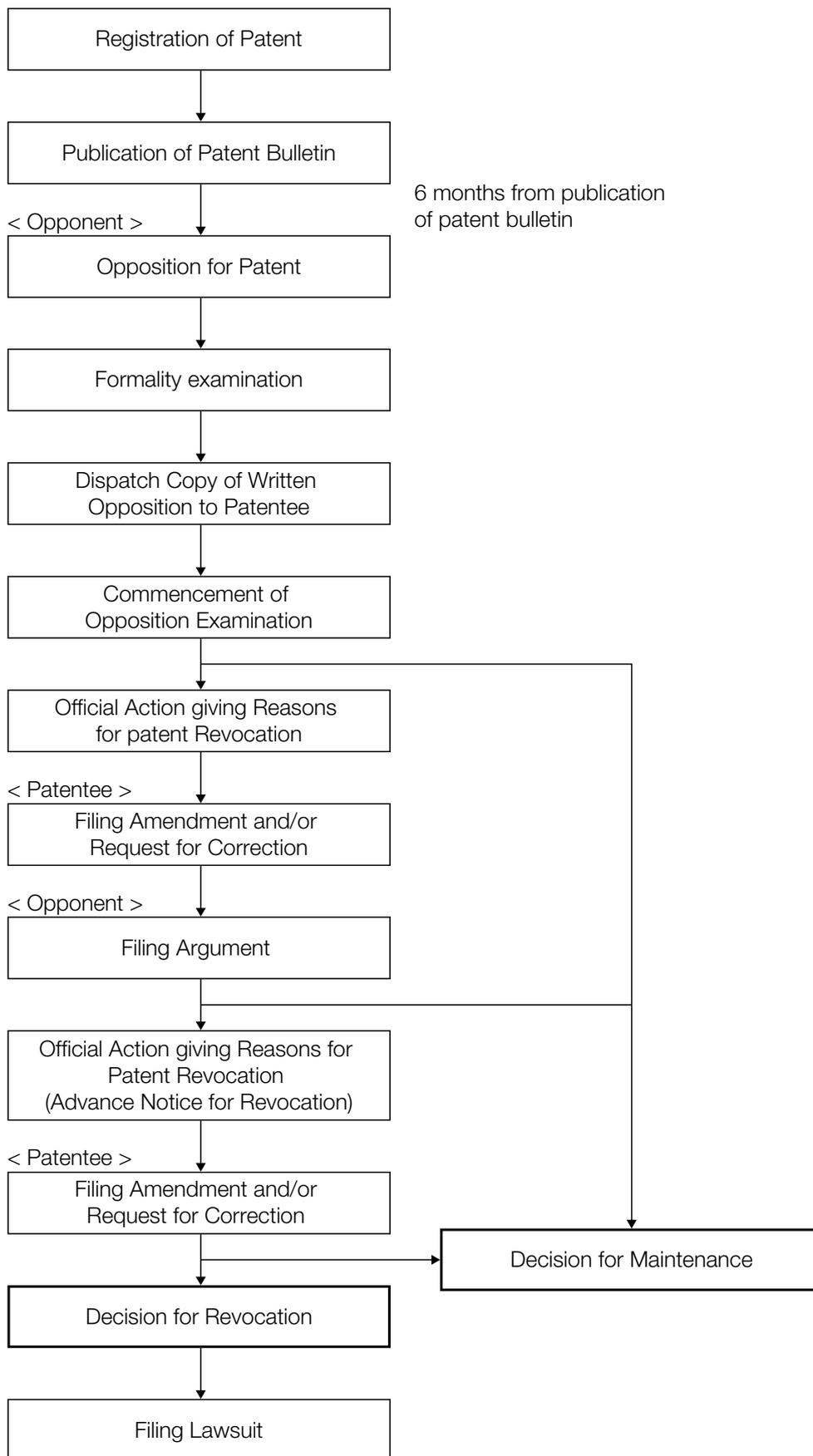
Request for Correction during the Opposition procedure to enhance the reliability of the patent before an Invalidation Trial or litigation for patent infringement.

On the other hand, the third party will be able to revoke a patent right or to restrict the scope of the claimed invention with a reduced burden by filing an Opposition rather than an Invalidation Trial.

In any event, since the reintroduced Opposition System is designed to be more convenient for the user (especially, for a third party), it is expected that a considerable number of Opposition cases may be filed under the reintroduced Opposition System for Patents.

Main Differences

	Opposition of Patent	Patent Invalidation Trial
Subject Requirement	Any person	Interested party
Period	within six months from the date of publication of the patent bulletin	Any time after patent right is registered, even after the patent right has expired
Reasons	Reasons of public benefit	Reasons of public benefit Possession of right of parties Reasons developing after issue of patent
Procedure	Similar to Appeal procedure (documentary proceedings only)	<i>inter partes</i> trial (oral proceedings, by principle)



6 months from publication
of patent bulletin

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