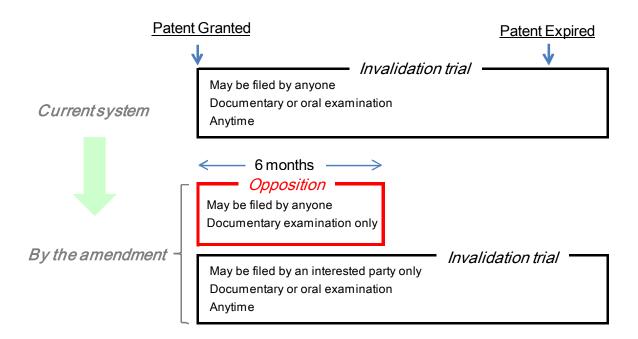
FUKAMI PATENT OFFICE, p.c.

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New Opposition System Established

"Bill for the Act of the Partial Revision of the Patent Act, etc." was passed by the House of Representatives plenary session on April 25, 2014, and thereby enacted. The bill covers partial amendments of the Patent Act, the Utility Model Act, the Design Act, the Trademark Act, and the Patent Attorney Act, as reported in our "Japan IP Updates No. 4" (http://www.fukamipat.gr.jp/english/ipjapan/ipj004_140313.pdf).

By the current amendment to the Patent Act, an opposition system to granted patents is established. Under the new opposition system, revocation of granted patents can be requested within a certain period (6 months from the date of publication of the relevant patent). The patent invalidation trial and the newly introduced opposition system will coexist as a procedure for contesting the validity of a patent at the JPO.



While any person can request the opposition, a patent invalidation trial can be filed only by an interested party (currently amended from "Any person"). The opposition usually proceeds under *Ex parte* procedure, while the patent invalidation trial is basically conducted as *Inter partes* proceedings.

As to the opposition system, the patent owner can file a lawsuit before the IP High Court in order to rescind the JPO's decision to revoke the patent. In this case, the Commissioner of the JPO becomes the defendant. However, in the case of a JPO decision to maintain a patent, the opponent cannot file an appeal to the IP High Court. On the other hand, in the case of patent invalidation trials, either of the losing parties can proceed to the IP High Court to request rescission of the JPO's decision. In such litigation cases, the winning parties at the JPO become the defendant at the IP High Court.



In fact, the new opposition system is quite similar to the former opposition system, which was abolished by the previous amendment of the Patent Act in 2003. It is said that the current establishment of the opposition system corresponds to the revival of the former system. When the former opposition system was abolished, it was considered that there is little meaning to allow two systems contesting the validity of a patent at the JPO to coexist. There were about 4,000 opposition cases and about 300 patent invalidation trials in 2003. After the abolition of the former opposition system, the number of patent invalidation trials was temporarily increased to about 400 cases in 2004 and 2005, but then, there have been only 250-300 cases per year. The patent invalidation trials have not been used as frequently as originally expected.

One of the reasons why the number of patent invalidation trials has not been increased as expected, is that *Inter partes* proceedings are adopted in the same trial. As explained in the above, in the patent invalidation trial, if the patent owner files a lawsuit before the IP High Court against the JPO's decision to revoke the patent, the appellant of the trial becomes the defendant, which means that the appellant may have to be involved in the litigation case. On the other hand, in the opposition case, even if the patent owner files a lawsuit against the JPO's decision, the opponent is not involved in the litigation, since the defendant in such a case must be the Commissioner of the JPO. The bar for filing patent invalidation trials has been higher than that of opposition cases for Japanese companies.

How many opposition cases will be filed under the new system should receive a great deal of attention. The above-described amendments to the Patent Act will become effective within one year from the date of the promulgation thereof.

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