

Section 2 Procedures for Obtaining a Patent

Subsection 1 Filing

Item 1 Significance of Filing

The inventor originally acquires the right to obtain a patent upon completion of the invention. Filing for a patent is an act of submitting a request to the JPO Commissioner, seeking a decision to grant a patent, as an objective indication of the intent to obtain a patent. The filing of a patent application prompts the JPO to start the procedures, and after various procedures, the invention is registered and becomes patented. In spite of also being intellectual property, a copyright is originally acquired by the creator upon creation of the work without requiring any procedures or formalities (the non-formality principle), but a patent is different in that it takes effect by an administrative disposition.

The right to obtain a patent is a right under positive law. However, its content is ambiguous, and the subject and object of the patent become clear by the act of filing. A patent right, being an exclusive right to a technology, has a big influence on third parties, so its content needs to be clear. Thus, the principle of documentary proceeding is adopted.

The right to obtain a patent is materialized by the filing and changes its content in each procedure. It lapses by attaining its purpose upon the patent registration.

Item 2 Filing Documents

In order to obtain a patent right or a utility model right, one must file an application for it by submitting a request describing the prescribed items to the JPO Commissioner (principle of documentary proceeding) (Section 36 of the Patent Law). Today, an application is often filed by on-line communications instead of paper, but the basic concept is the same. The submission of the actual invented product and the filing of an application orally are not allowed. The request must also include formalities such as the domicile and the name of the applicant and the inventor (Section 36 (1) of the Patent Law)¹.

A request must be accompanied by the specification, any necessary drawings, and the abstract (Section 36 (2) of the Patent Law), and the specification must state (1) the title of the invention, (2) a brief explanation of the drawings, (3) a detailed explanation of the invention, and (4) the patent claim(s)² (Section 36 (3) of the Patent

¹ Regarding the form of the request, see Section 23 of the Regulations under the Patent Law.

² When a priority claim under the Paris Convention is declared for the application, the applicant

Law).

The most important document that must be attached to the request is the specification. The specification both functions as a technical document disclosing the content of the invention and as a document defining the content of the right; in short, a certificate of title. The specification system was adopted for the first time in the world as a formal law in the British Patents Act of 1852. Since then, it has been adopted by various countries, and it is now an indispensable part of the patent system. The content of the specification is reviewed below.

(a) Brief explanation of the drawings

Although drawings are requisites for a utility model application (Section 5 (2) of the Utility Model Law), they only need to be attached if needed in the case of a patent application. The detailed explanation of the attached drawings is made in the “detailed explanation of the invention,” so this part merely needs to describe whether each drawing is a plane view, an elevation view, or a section view, and explain the reference letters representing the major parts of the drawings (Remark 16, Form 29, Section 24 of the Regulations under the Patent Law).

(b) Detailed explanation of the invention

The description here is not directly related to the scope of right, but has an important role in disclosing the content of the technology. The content must be described in a manner sufficiently clear and complete for the invention to be worked by a person having an ordinary skill in the art to which the invention pertains³ (Section 36

must also attach the related documents (Section 43 of the Patent Law), and when the application is filed by a representative, a document proving the power of attorney must be submitted (Section 10 of the Patent Law). In addition, when the applicant desires that an exception to lack of novelty be applied, he/she must submit a written statement to that effect (Section 30 (4) of the Patent Law).

³ The Patent Law before the 1994 amendment had stipulated that it must describe the purpose, constitution, and effect of the invention. (This was stipulated in Section 36 (4) from 1959 to 1985, in Section 36 (3) from 1985 to 1990 due to deletion of the subsection on additional patents, and in Section 36 (4) from 1990 to 1994 due to addition of the subsection on the abstract.) However, what is important in a specification is that the content of the invention is disclosed to the extent that a person skilled in the art can easily work the invention, and it is sometimes more reasonable to allow freedom of description rather than always requiring description of the purpose, constitution and effect of the invention. Furthermore, the 1993 amendment prohibited addition of new matters to the claim(s), so the purpose and effect could no longer be added in a later amendment. Accordingly, it became unreasonable to require the purpose, constitution, and effect of the invention to be described in all applications. What is more, the WTO's TRIPs Agreement (which entered into force in 1995) and WIPO's Patent Cooperation Treaty (yet to enter into force as of 1998) require the applicant to disclose the invention clearly and completely, while the European Patent Convention also has a similar stipulation. Since such was the situation in other countries, the applications in

(4) of the Patent Law; Remark 15, Form 29, Section 24 of the Regulations under the Patent Law). A patent is granted in return for laying open the technology to the public⁴, so it is natural that the technology must be disclosed to the extent that a person skilled in the art can easily work the invention. If the description is such that a person skilled in the art cannot easily work the invention, the specification would only have small value as a technical document, and would serve as a reason for refusal of the application (Section 49 (4) of the Patent Law) or as a reason for invalidation even if a patent was granted (Section 123 (1) (iv) of the Patent Law).

The problem here is the concept of a person skilled in the art. This does not assume a specific engineer, but can be considered to have the same meaning as the average technical standard. The conclusion would differ depending on one's idea of the technical field, but this point must be resolved by making determinations for individual cases, and waiting for an accumulation of court decisions for each technical field.

With the advance of paperless procedures in the JPO, the descriptions in the detailed explanations of the inventions will come to play an extremely important role as a database of technical documents, and are expected to bring about a veritable technical information revolution. It will be an important task for enterprises to utilize this database filled with valuable technical documents as effectively as possible in the future.

The description method with a detailed explanation of the invention, is strongly dependent on actual business practice, and the method differs for each technical field. For instance, a chemical substance patent must be backed by working examples to a certain extent, in order to eliminate mere paper inventions. However, the extent to which the invention must be exemplified involves complex problems in practice. The details shall be left to discussions in other books⁵.

foreign languages that were introduced with the 1994 amendment could face a complex situation where the description requirements are different inside and outside Japan. Due to these reasons, the stipulation was amended to that under the current Law upon the 1994 amendment. Specific description requirements other than the requirements of being clear and complete are stipulated by an ordinance of the Ministry of Economy, Trade and Industry (Section 36 (6) (iv) of the Patent Law). For the 1994 amendment, see Kumagai, *Kaisei Tokkyo Hou* (Amended Patent Law).

⁴ Due to the introduction of the system of laying open applications upon the 1970 amendment, all applications are laid open to the public eighteen months after the filing. At that point, it is still not clear whether or not the application will be patented in the future. Therefore, the laying open of the application and the patent are no longer directly linked with each other in a strict sense. However, looking at the overall patent system, the patent can be considered as compensation for laying open the invention to the public.

⁵ For details, see Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 334 [Hashimoto]; Hashimoto, *Tokkyo Hou* (Patent Law): p. 30; Yoshifuji, *Tokkyo Hou* (Patent Law): pp. 255 ff.

(c) Patent claims

Since an invention is intangible, its scope is ambiguous, unlike that of a tangible item, and its extent is essentially unclear. Therefore, if the content of an invention were described ambiguously, the effective scope of the patent right would also be indefinite, which would only result in low foreseeability for both third parties and the patentee. As a result, it would harm the legal stability of the right and induce unnecessary conflicts. So, in order to clarify the effective scope of the right⁶, an item called “patent claim(s)” is included in the specification (Section 36 (3) (iv) of the Patent Law). A patent claim plays the role of a certificate of title, and its description determines the technical scope of the patent, even deciding the scope of right. The stipulated description requirements for claims include ones stating that the invention for which a patent is sought must be the one described in the detailed explanation of the invention (Section 36 (6) (i)), that the statements must be clear (Section 36 (6) (ii)), and that the statements setting forth the claims must be concise (Section 36 (6) (iii)).

Under the current Law, the claims must be described “clearly,” but until the 1994 amendment, the provision set forth that “only the items that are indispensable for the constitution of the invention shall be described.”⁷ However, to obligate such descriptions ran contrary to the international trend, and did not suit the recent diversification of technologies as represented by information-related technologies. Accordingly, the amendment was made because there were cases where it was more desirable to define the invention by its operation or moving method rather than by describing only the constitution of the invention.

In infringement cases, the scope of right tended to be strictly bound by the descriptions of claims when interpreting the claims, partly due to the wording “only,” but the amended wording has made it easier to adopt the doctrine of equivalents.

The statement of the patent claim(s) must comply with the statement described in the detailed explanation of the invention in the specification (Section 36 (6) (i) of the

⁶ A “patent claim” does not represent the scope of right itself, but it simply represents the scope of the technology. Therefore, even a technology corresponding to the claim does not necessarily correspond to the scope of right, if it was an invention subject to prior use, etc. However, apart from such special cases, the claim and the scope of right are considered to overlap.

⁷ That was stipulated in Section 36 (5) from 1959 to 1985, in Section 36 (4) from 1985 to 1987 due to deletion of the subsection on the additional patent, in Section 36 (4) (ii) from 1987 to 1990 due to introduction of the multiple claim system, and in Section 36 (5) (ii) from 1990 to 1994 due to addition of the subsection on the abstract. Thus, frequent amendment had changed the position of this provision, but the basic idea to describe only the indispensable constituents of the invention had not changed.

Patent Law), so it is not admissible to describe something that is not concretely disclosed in the specification in the claims in order to include it into the scope of right.

While the multiple claim system had been adopted in the past for the method of describing the claims, Japan's original system, called the single claim system, was adopted in 1921⁸, and it was directly succeeded by the Law of 1959. Nevertheless, the multiple claim system was becoming prevalent internationally, so Japan adopted an irregular multiple claim system as part of its globalization effort of acceding to the Patent Cooperation Treaty (PCT) (the proviso in Section 36 (5) of the Patent Law at that time). It was a measure to recognize the description of an embodiment claim in addition to the indispensable features claim(s). This was never intended to be more than a transitional system. After the citizens became accustomed to the multiple claim system, a full-fledged multiple claim system was adopted upon the 1987 amendment, which was the globally prevalent system where multiple claims could be described for a single invention (Section 36 (4) and (5) of the Patent Law at the time; Section 36 (5) under the current Law).

Under the present multiple claim system, statements can be made in multiple claims by free expression for a single invention, either in independent claims or dependent claims. The validity (novelty, inventive step, etc.) is independently determined for each claim, and the determination of invalidation is also made for each claim (Section 123 (1) of the Patent Law). In addition, separate claims can describe the same statement of a patent claim; that is, overlapping descriptions are admissible (Section 36 (5) of the Patent Law). Also, an invention having a certain relation with a claim can be filed in the same single request even if it is not the same invention⁹ (Section 37 of the Patent Law). Since it is an issue concerning the basics of the obtainment of a right, it was not desirable from the perspective of the international harmonization of patent systems to adopt a different system from other countries. And with the adoption of this full-fledged multiple claim system, the description method for claims became more or less the same as that of western countries, thus greatly making progress in terms of harmonization of patent procedural systems.

The provisions in Section 36 of the Patent Law were amended several times, and it is not easy to follow the changes, so the provisions of each amendment are listed below.

⁸ It was stipulated that the matters indispensable for the constitution of the invention should be described in a single claim (Section 38 of the Patent Law at that time).

⁹ For details on the 1987 amendment, see Shinhara, *Kaisei Tokkyo Hou* (Amended Patent Law).

Law of 1959 (entered into force in April 1960)
(Application for Patent)

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

- (i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;
- (ii) the date of submission;
- (iii) the title of the invention;
- (iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification stating the following and any drawings necessary:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(3) When desiring to obtain an additional patent, the relation to the invention for which the additional patent is sought shall be stated in the specification.

(4) The detailed explanation of the invention under Subsection (2) (iii) shall state the purpose, constitution and effect of the invention to the extent that the invention can be easily worked by a person having ordinary skill in the art to which the invention pertains.

(5) In the patent claim under Subsection (2) (iv), there shall be set forth only matters which are indispensable for the constitution of the invention described in the detailed explanation of the invention.

(6) In accordance with the provision in the proviso of Section 38, when filing patent applications for two or more inventions by a single request, the patent claim under Subsection (2)(iv) shall be set forth by statements separated on an invention-by-invention basis.

The 1975 Amendment (entered into force in January 1976)
(Application for Patent)

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

- (i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;
- (ii) the date of submission;
- (iii) the title of the invention;
- (iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification stating the following and any drawings necessary:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(3) When desiring to obtain an additional patent, the additional relationship of the invention for which the additional patent is sought shall be stated in the specification.

(4) The detailed explanation of the invention under Subsection (2) (iii) shall state the purpose, constitution and effect of the invention to the extent that the invention can be easily worked by a person having ordinary skill in the art to which the invention pertains.

(5) In the patent claim under Subsection (2) (iv), there shall be set forth only matters which are indispensable for the constitution of the invention described in the detailed explanation of the invention. However, this shall not preclude an additional description of the embodiment of the invention.

(6) The description of the patent claim under the preceding subsection shall be made as provided for in an ordinance of the Ministry of International Trade and Industry.

The 1985 Amendment (entered into force in November 1985) (Application for Patent)

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

(i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;

(ii) the date of submission;

(iii) the title of the invention;

(iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification stating the following and any drawings necessary:

(i) the title of the invention;

(ii) a brief explanation of the drawings;

(iii) a detailed explanation of the invention;

(iv) patent claim(s).

(3) The detailed explanation of the invention under the preceding Subsection (iii) shall state the purpose, constitution and effect of the invention to the extent that the invention can be easily worked by a person having ordinary skill in the art to which the invention pertains.

(4) In the patent claim under Subsection (2) (iv), there shall be set forth only matters which are indispensable for the constitution of the invention described in the detailed explanation of the invention. However, this shall not preclude an additional description of the embodiment of the invention.

(5) The description of the patent claim under the preceding subsection shall be made as provided for in an ordinance of the Ministry of International Trade and Industry.

The 1987 Amendment (entered into force in January 1988)
(Application for Patent)

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

(i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;

(ii) the date of submission;

(iii) the title of the invention;

(iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification stating the following and any drawings necessary:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(3) The detailed explanation of the invention under the preceding Subsection (iii) shall state the purpose, constitution and effect of the invention to the extent that the invention can be easily worked by a person having ordinary skill in the art to which the invention pertains.

(4) The statement of the patent claim(s) under Subsection (2) (iv) shall comply with each of the following items:

- (i) the statement shall set forth the invention(s) for which a patent is sought and which is/are described in the detailed explanation of the invention;
- (ii) the statement shall be separated into individual claims setting forth only the matters which are indispensable for the constitution of the invention for which a patent is sought (hereinafter referred to as "claims");
- (iii) the statements shall be as provided for in an ordinance of the Ministry of International Trade and Industry.

(5) The preceding provision shall not preclude a statement of the patent claim(s) in which an invention claimed in one claim is the same as an invention claimed in another claim.

**The 1990 Amendment (entered into force in December 1990)
(Application for Patent)**

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

- (i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;
- (ii) the date of submission;
- (iii) the title of the invention;
- (iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification, any drawings necessary and the abstract.

(3) The specification under the preceding Subsection shall state the following:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(4) The detailed explanation of the invention under the preceding Subsection (iii) shall state the purpose, constitution and effect of the invention to the extent that the invention can be easily worked by a person having ordinary skill in the art to which the invention pertains.

(5) The statement of the patent claim(s) under Subsection (3) (iv) shall comply with each of the following items:

- (i) the statement shall set forth the invention(s) for which a patent is sought and which is/are described in the detailed explanation of the invention;
- (ii) the statement shall be separated into individual claims setting forth only the matters which are indispensable for the constitution of the invention for which a patent is sought (hereinafter referred to as “claims”);
- (iii) the statement shall be as provided for in an ordinance of the Ministry of International Trade and Industry.

(6) The preceding provision shall not preclude a statement of the patent claim(s) in which an invention claimed in one claim is the same as an invention claimed in another claim.

(7) The abstract under Subsection (2) shall state the summary of the invention disclosed in the specification or drawings and other matters provided for in an ordinance of the Ministry of International Trade and Industry.

**The 1994 Amendment (entered into force in July 1995)
(Application for Patent)**

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

- (i) the name and the domicile or residence of the applicant for the patent, and in the case of a legal entity, the name of the representative;
- (ii) the date of submission;
- (iii) the title of the invention;
- (iv) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification, any drawings necessary and the abstract.

(3) The specification under the preceding Subsection shall state the following:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(4) The detailed explanation of the invention under the preceding Subsection (iii) shall state the invention, as provided for in an ordinance of the Ministry of International Trade and Industry, in a manner sufficiently clear and complete for the invention to be worked by a person having ordinary skill in the art to which the invention pertains.

(5) In the patent claim under Subsection (3) (iv), there shall be set forth, by statements separated on a claim-by-claim basis, all matters which the applicant for a patent considers necessary to define the invention for which a patent is sought. In such a case, it shall not preclude a statement of the patent claim(s) in which an invention claimed in one claim is the same as an invention claimed in another claim.

(6) The statement of the patent claim(s) under Subsection (3) (iv) shall comply with each of the following items:

- (i) the statement shall set forth the invention(s) for which patent is sought and which is/are described in the detailed explanation of the invention(s);
- (ii) the statement setting forth the invention(s) for which a patent is sought shall be clear;
- (iii) the statement setting forth the claim(s) shall be concise;
- (iv) the statement shall be as provided for in an ordinance of the Ministry of International Trade and Industry.

The 1998 Amendment (entered into force on June 1, 1998)
(Application for Patent)

Section 36

(1) Any person desiring a patent shall submit a request to the Commissioner of the Patent Office stating the following:

- (i) the name and the domicile or residence of the applicant for the patent;
- (ii) the name and the domicile or residence of the inventor.

(2) The request shall be accompanied by the specification, any drawings necessary and the abstract.

(3) The specification under the preceding Subsection shall state the following:

- (i) the title of the invention;
- (ii) a brief explanation of the drawings;
- (iii) a detailed explanation of the invention;
- (iv) patent claim(s).

(4) The detailed explanation of the invention under the preceding Subsection (iii) shall state the invention, as provided for in an ordinance of the Ministry of International Trade and Industry, in a manner sufficiently clear and complete for the invention to be worked by a person having ordinary skill in the art to which the invention pertains.

(5) In the patent claim under Subsection (3) (iv), there shall be set forth, by statements separated on a claim-by-claim basis, all matters which the applicant for a patent considers necessary to define the invention for which a patent is sought. In such a case, it shall not preclude a statement of the patent claim(s) in which an invention claimed in one claim is the same as an invention claimed in another claim.

(6) The statement of the patent claim(s) under Subsection (3) (iv) shall comply with each of the following items:

- (i) the statement shall set forth the invention(s) for which patent is sought and which is/are described in the detailed explanation of the invention(s);
- (ii) the statement setting forth the invention(s) for which a patent is sought shall be clear;
- (iii) the statement setting forth the claim(s) shall be concise;
- (iv) the statement shall be as provided for in an ordinance of the Ministry of International Trade and Industry.

Item 3 Number of Inventions in a Single Application

Japan had originally adopted the one application for one invention system. Only two inventions having a certain close relationship could be included in a single application as an exception (Section 38 of the Patent Law before the 1987 amendment). The one application for one invention system was not inevitable in theory, but was adopted for the convenience of the JPO's examination processing and third parties' searches. Therefore, there was such an exception (for an application including two or more inventions). Violation of Section 38 constituted a reason for refusal, but once the application was registered, the violation no longer served as a reason for invalidation.

The one application for one invention system was abolished with the 1987 amendment, and the number of inventions in a single application expanded to match the western level¹ (Section 37 of the Patent Law). Because the number of inventions in one application was expanded by Section 37 of the Patent Law, and claims came to be registered even if their contents were overlapping pursuant to Section 36 (6) of the Law amended in 1987, the description of the patent claims became easier, and the examination procedure was simplified due to elimination of overlapping examinations (Section 36 (5) of the Patent Law).

However, in the case of filing two or more inventions, only the invention described in one claim (specified invention) and those inventions that satisfy the conditions set forth in Section 37 of the Patent Law with regard to the specified invention can be filed in a single application. Violation of Section 37 serves as a reason for refusal (Section 49 (4) of the Patent Law), but it neither serves as a reason for opposition (Section 113 of the Patent Law) nor a reason for invalidation (Section 123). The requirements for the two or more inventions that can be filed in a single request are described in detail under five categories in Section 37 of the Patent Law². Since the

¹ Even the principle of one application for one invention cannot serve as a standard for concretely deciding the scope of filing, because the content of one invention is not necessarily definite. Many countries had a stipulation of one application for one invention (e.g., Germany, the United Kingdom, the United States, etc.), but as the concept of one invention was broader than that in Japan, it was practically quite different from the one application for one invention system in Japan. This suggests that it was also possible to gain the same outcome as the 1987 amendment by changing the concept of one invention, but since the changing of Japan's long-established concept of one invention could cause confusion, the legislation was enacted to allow filing of one application for two or more inventions under certain conditions; that is, to abandon the one application for one invention system.

² The details shall be omitted here due to their extremely practical nature. See Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 355 [Hashimoto]; Yoshifuji, *Tokkyo Hou* (Patent Law): p. 344; Shinhara, *Kaisei Tokkyo Hou* (Amended Patent Law): p. 26.

provision in Section 37 is quite broad in scope, many inventions that are considered to be related by common sense can now be filed in a single request. Furthermore, in order to enable flexible administration to meet the needs for international harmonization and so on, “inventions having a relationship as provided for in a Cabinet Order” was added in Section 37 (5)³.

Item 4 Effect of Filing

The inventor originally acquires the right to obtain a patent upon completion of the invention, and the act of filing can be considered as a concrete indication of the inventor’s intent to obtain a patent. The right to obtain a patent comes into concrete existence by the filing, and the right then takes on various legal effects. When the patent application is received by the JPO, the application becomes pending before the JPO, and a patent application number is given to the application, which is then notified to the applicant (Section 28 of the Regulations under the Patent Law). Applications are received by the JPO in principle, but applications that have great defects in their formalities that cannot be amended are given a disposition of “refusal of receipt.”

³ The scope has been further expanded by Section 1*bis* of the Patent Law Enforcement Order.

The disposition of refusal of receipt, which shall be explained in detail later, is considered reasonable, because if such disposition was totally denied, an applicant could evade the law by first filing an application having great defects to fix the filing date, and making amendments later. Nevertheless, this disposition has the meaning of depriving the applicant of the opportunity for amendment, since the application itself would be deemed to have not been filed. As a matter of course, the applicant may file an application again, but the filing would be delayed, so the applicant often misses the right timing. Therefore, the disposition of refusal of receipt should only be given to an application that does not satisfy the essential requirements, and whose defect is so great that it cannot be remedied by amendment. Incidentally, an annual fee payment form for patent that is submitted after the period for late payment of annual fees is naturally subject to a disposition of “refusal of receipt”¹.

Conventionally, substantive examinations had been conducted for all applications received, but with the 1970 amendment, only those applications for which a request for examination was made within seven years from the filing date came to be examined (Sections 48*bis* and 48*ter* (1) of the Patent Law). The effects of the filing include determination of the filing date. This serves as the base date/time for determination of requirements such as novelty and involvement of an inventive step, and as the starting date of the computation of the period for the laying open of the application, etc., and for establishment of status as a senior application (Section 39 of the Patent Law).

Item 5 Conversion and Division of an Application

1. Conversion of an Application

An applicant may convert the form of his/her application from a patent application to a utility model application or a design application or the reverse, as long as the requirements for the resulting application are met (Section 46 of the Patent Law; Section 10 of the Utility Model Law; Section 13 of the Design Law). As a matter of course, the content of the application cannot be changed. The effective filing date after the conversion is the filing date of the original application. Patents and utility models are creations of technical ideas, and a design can also have an aspect as a technical creation in consequence. Therefore, an applicant may find it difficult to

¹ The Tokyo District Court on June 27, 1984, Court Decisions Relating to Intangible Property, Vol. 16, No. 2: p. 394 (the Bogie Brake case); the Tokyo District Court decision on December 10, 1984, The Law Times Report, No. 543: p. 199 (the Dust Incineration Equipment case); the Tokyo District Court decision on June 28, 1985, The Law Times Report, No. 567: p. 272 (the Chemical Reaction Specimen case).

decide which application he/she should file, and may wish to convert it later, so such allowance of conversion among the three forms of application is convenient for the applicant. Also, the conversion cannot expand the application beyond the descriptions in the initial application, so it does not cause any unexpected harm to third parties either.

The requirements for the conversion are that the original application is pending before the JPO (in other words, an already registered application or an application that has been withdrawn or abandoned cannot be converted) and that the applicant of the original application and that of the converted application must be the same person.

The most notable effect of the conversion is that the filing date retroacts to the filing date of the original application. Under the first-to-file system, the retroaction of the filing date has a great significance. When the conversion is made, the original application is deemed to have been withdrawn (Section 46 (4) of the Patent Law; Section 10 (4) of the Utility Model Law; and Section 13 (4) of the Design Law).

Until the 1985 amendment, there was a system of additional patents (Section 31 of the Patent Law before the amendment), and the application could also be converted between that for an independent patent and that for an additional patent (Section 45 of the Patent Law before the amendment), but no such conversion exists today because the additional patent system has been abolished.

2. Division of an Application

When two or more inventions are included in one application, under the Paris Convention division of a once-filed patent application into two or more separate applications later is allowed (Article 4 G of the Paris Convention), and this provision is also stipulated in the current Japanese Patent Law. That is, an applicant may divide a patent application into one or more new patent applications only within the time limit by which the specification or drawings attached to the request may be amended (Section 44 of the Patent Law). This division would serve as a remedy when an applicant receives notification of a reason for refusal stating that the application does not satisfy the requirement of the unity of the application, because of filing two or more inventions that do not satisfy the requirements in Section 37 of the Patent Law by a single application. Also, an applicant could voluntarily divide the application prior to receiving such a decision of refusal¹. Practically-speaking, division of an application

¹ When the “one application for one invention” system had been used, many applications could be made valid by dividing the application, but since the system was abolished by Section 37 of the Patent Law amended in 1987, the need for division decreased.

has a function similar to amendment. Therefore, under the current Law where amendment is strictly limited, it is important to construe the Law so that division will not be used as an evasive means for amendment. Since the requirement of the unity of the application has been relaxed, and the multiple claim system has been adopted, today the need for division is not as high as in the past.

In order to divide an application, the original application must be pending before the JPO and it must comprise two or more inventions. According to court decisions, an application comprising two or more inventions does not refer only to a case where two or more inventions are included in the claim(s) but, it is sufficient to have them included in the overall specification². Needless to say, the invention

² The system of publication of application has been abolished in the current Law, but for a while applications that are subject to that system still remain, so this note briefly discusses the relation between the publication of an application and division. Conventionally, the scope in which amendment could be made differed greatly before and after the publication of the application. In contrast, the subject of division was uniformly stipulated without any distinction before and after the transmittal of a copy of the decision of publication of application. Due to the fact that the requirements for division greatly differed from the limitation of amendment after the transmittal of the copy, there were conflicting theories regarding the admissible scope of division. Under the old Law (Law of 1925), which had a similar provision, the court decisions by the Supreme Court in prewar Japan and the old examination guidelines of the JPO set forth that an invention that is not described in the claim(s) cannot be divided after the transmittal. This was because if free division were recognized, it would allow evasion of the limitation of amendment, which would unfairly harm the interests of third parties. However, later, the Tokyo High Court rendered a contrary decision, and the Supreme Court further supported this decision (the Supreme Court decision on December 18, 1980, Civil Court Decisions by the Supreme Court, Vol. 34, No. 7: p. 917 (the Half-size Movie Film Recording Device case) [Annotation] Yoshinobu Someno, *Gakkai Nenpou* (Annual of Industrial Property Law), No. 4: p. 197; Yutaka Kosaka, *Jurist*, No. 736: p. 71; Yutaka Kosaka, *Housou Jihou* (Bar Journal), Vol. 36, No. 6: p. 1103; Shigeaki Manda, *Journal of the Jurisprudence Association*, The University of Tokyo, Vol. 99, No. 9: p. 1446; Fumio Umase, *Journal on Civil and Commercial Law*, Vol. 85, No. 3: p. 513; Nobuo Monya, *Jurist*, No. 743: p. 276; Kouzou Mimino, *Tokkyo Kanri* (Patent Management), Vol. 30, No. 3: p. 295; the Supreme Court decision on March 13, 1981, *Court Decision Journal*, No. 1001: p. 41/*The Law Times Report*, No. 441: p. 86 (the Butadiene Polymerization Method case) [Annotation] Youtarou Nunoi, *Tokkyo Hanrei Hyakusen* (100 Selected Patent-related Court Decisions) (Second Edition), Case 38; Nobuo Monya, *Hatsumei* (Invention), Vol. 80, No. 1: p. 86; Shigetoshi Matsumoto, *Tokkyo Kanri*, Vol. 31, No. 2: p. 157). The idea behind the Supreme Court decision is assumed to be that a patent right is granted in return for laying open an invention, so even a matter that is not described in the claim(s) should be subject to division if it has been laid open. From the viewpoint of protecting the interests of the applicant, division should be allowed as long as the invention is described in the specification, but theories do not necessarily support this view. However, the patent system grants an extremely powerful right, which is an exclusive right, so harmony with third parties should always be taken into consideration. In particular, since a right almost similar to a patent right will be granted after the publication of an application, any act that would virtually broaden the scope of right, such as division or amendment, should not be recognized (Shigetoshi Matsumoto, “*Shutsugan Koukoku Ketteigo No Tokkyo Bunkatsu No Youken* (Requirements for Division of a Patent after the Decision of Publication of the Application),” *Tokkyo Kanri*, Vol. 31, No. 2: p. 157). A theory that broadly recognizes division after publication is Tomoko Takino, “*Shutsugan Koukokugo No Shutsugan No Bunkatsu No Taishou* (Subject of Division of an Application After the Publication of the Application),” *Gakkai Nenpou*,

disclosed in the divisional application must be the one disclosed in the specification or drawings of the original application³.

The timing and the time limit for the division are restricted to the timing and time limit available for amendment⁴ (Section 44 (1) of the Patent Law).

The divisional application is treated as a new separate application, and its filing date retroacts to the filing date of the original application in principle (Section 44 (2) of the Patent Law). Therefore, the novelty, involvement of an inventive step, and the seniority of the application are determined based on the time and date of filing of the original application. However, since there are harmful effects in recognizing the retroaction for all aspects, there are exceptions (Proviso of Section 44 (2) of the Patent Law) when the filing date does not retroact, regarding the provision for rejecting junior applications by being an “other patent application” as set forth in Section 29*bis* of the Patent Law and Section 3*bis* of the Utility Model Law, the provision on exception to lack of novelty (Section 30 (4) of the Patent Law), the provision on the procedure for declaring a claim of internal priority (Section 41 (4) of the Patent Law), and for the provisions on the priority claim under the Paris Convention (Section 43 (1) and (2) of the Patent Law). As the divisional application is not an amendment of the original application but a separate application, it is not affected even if the original application is abandoned or becomes extinct due to a decision of refusal, etc. At the same time, procedures for the original application naturally do not have an effect on the divisional application⁵.

No. 7: p. 24.

³ Even if they did not coincide exactly, any matter that is apparent for a person skilled in the art is practically considered to be the same as that described in the specification, because the specification can be read even without a definite description. The Tokyo High Court decision on August 30, 1978, Court Decisions Relating to Intangible Property, Vol. 10, No. 2: p. 420 (the Permanent Magnet Manufacturing Device case); the Tokyo High Court decision on April 17, 1986, *Tokkyo To Kigyou* (Patent and Enterprise), No. 210: p. 47 (the Variable Safe Ball Receiver Opening Device case).

⁴ For the specific details, see Subsection 3 “Amendment” of this book.

⁵ For instance, the procedure for declaration of a priority claim, the procedure for application of the provision of exception to lack of novelty, and the procedure for a request for examination must be taken separately for the divisional application. The Tokyo High Court decision on February 28, 1983, Court Decisions Relating to Intangible Property, Vol. 15, No. 1: p. 210 (the Illumination Device case). (This is a case concerning the relation between the divisional application and the abandonment of a suit against appeal/trial decision regarding the original application.)

Item 6 Internal Priority System¹

The Paris Convention provides for the right of priority (Article 4 of the Paris Convention). A similar system that has been introduced nationally is the internal priority system. While the system under the Paris Convention was established to reduce the time and labor consumed for foreign applications, the internal priority system was legislated for a different purpose, as later mentioned, but the contents of the two systems are similar to each other.

There would be no problem if a patent application could be filed in a perfect form from the start, but under the first-to-file system an application must be filed quickly, so there can be a need to supplement the content of the application later on. There is also the case where the applicant desires to make the application more complete or comprehensive by making a later supplementation due to the increased complexity of technologies. In such a case, it is possible to make amendment under certain requirements. However, there are many cases where amendment cannot be made under the current Law, or where it is difficult to determine whether or not amendment is possible. On the other hand, it is possible to make a more comprehensive application by combining multiple applications into one or by adding a new matter to an application under the Paris Convention. In the past, it was not possible to file such further application with the JPO based on an application originally filed in Japan, so there had been a de facto inequality between Japanese applicants and foreign applicants². There was also the inconvenience of not being able to claim priority by self-designation through a PCT (Patent Cooperation Treaty) application³. Since many countries had introduced the internal priority system⁴ to remedy this situation, Japan also adopted the system upon the 1985 amendment of the Patent Law

¹ For the details on the internal priority system, see Gotou, *Kokusai Shutsugan* (International Applications); Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 409 [Gotou].

² It was not a problem if a Japanese applicant first filed the application with another member state of the Paris Convention, and then filed the application in Japan, by declaring a claim of priority based on it, but since such a procedure was labor-consuming and troublesome, there was a de facto inequality between Japanese applicants and foreign applicants. However, some pharmaceutical companies seem to have filed foreign applications first, and then filed the applications in Japan by declaring a claim of priority (Takeda, *Tokkyo No Chishiki* (Knowledge of Patents): p. 268).

³ Self-designation is an act of filing a PCT application naming Japan as the designated country by declaring a priority claim based on an application originally filed in Japan. (According to Article 8 (2) (b) of the PCT, the requirements for and effects of the priority claim are pursuant to the national law of each country.) Due to Section 184*ter* (1) of the Patent Law, a PCT application designating Japan is deemed as an application that was filed in Japan on the filing date of the PCT application, so naturally, the provision on the internal priority system will be applicable to the application.

⁴ Many countries adopt the system as an internal priority system, but similar functions are played by the provisional specification system in the United Kingdom and by the continuation-in-part system in the United States.

(Section 41 of the Patent Law). This system has facilitated the filing of comprehensive or systematic patent applications, and has made the patent system more suited to modern industry in which technologies are advancing.

In order to declare a claim for internal priority, the senior application must be pending before the JPO⁵, and the applicant of the senior application (recognized for both patents and utility models, but not recognized for designs) and the applicant of the junior application must be the same person (in the case of a joint application, the names of all the applicants must be the same), the junior application must be filed within one year from the filing of the senior application, and the senior application must not be relating to a converted or divisional application⁶. It is also possible to make a claim for a single priority by merging two or more senior applications (multiple priorities; the same as under the Paris Convention).

The effect of the claim for internal priority is mostly the same as the effect of the claim for priority under the Paris Convention, and determination of the patentability of any invention disclosed in the specification or drawings attached to the request of the senior application is deemed to have been made at the time of filing the senior application⁷. The claim for priority is not recognized for any new matters added to the specification or drawings of the junior application; these matters are deemed to be filed upon the filing of the junior application. The senior application will be deemed to have been withdrawn fifteen months after the filing date of the senior application, unless the claim for internal priority is withdrawn or all of the applications for which the claim for internal priority has been declared are withdrawn. This provision is intended

⁵ Specifically, this refers to a case where the senior application has not been abandoned, withdrawn, or invalidated, or for which an examiner's decision or an appeal/trial decision has not been finalized. It is not reasonable to recognize a claim for internal priority regarding an application that is no longer pending, because that would be the same thing as recognizing revival of a once-extinguished application. Incidentally, after filing an application by declaring a claim for internal priority, the application is no longer affected even if the senior application ceases to be pending before the JPO.

⁶ The reasons are said to be for avoiding the JPO's burden pertaining to determination of whether or not the division or conversion satisfies the requirements, and for avoiding third parties' burdens pertaining to searches (JPO, Clause-by-Clause Explanation of Industrial Property Laws: p. 123).

⁷ While the provision under the Paris Convention is more ambiguous due to the differences in national laws, the provision under the Japanese Patent Office clearly stipulates the effect of a claim for internal priority. The specific items for which the time of filing retroacts are set forth in Section 41 (2) of the Patent Law. They are: novelty/inventive step, status of a senior application, exception to lack of novelty, limitation of the validity of a patent right, a conflicting relation with another party's patent right, etc., prior user's right, and a trial for correction. The time of filing of the junior application serves as the basis for other matters, such as computation of the period for requesting examination and the term of the patent. In other words, the effect of the internal priority is not an overall retroaction of the filing time/date, but a restrictive retroaction regarding the items listed in the provision. Under the Paris Convention, the effective time of filing regarding the provision on exception to lack of novelty is not that of the initial application (Section 30 of the Patent Law).

to prevent two applications that have the same content from being pending for examination. As an application is laid open to the public eighteen months after the filing date (Section 64), the senior application would be deemed to have been withdrawn before becoming laid open, so Section 29*bis* of the Patent Law would not be applicable. Therefore, although the senior application is deemed to have been withdrawn, the part included in the junior application is deemed to have been laid open to the public. If the junior application is withdrawn within fifteen months from the filing date of the senior application, the claim for internal priority is deemed to have been withdrawn. In addition, the applicant may not withdraw the claim for internal priority after fifteen months from the filing date of the senior application (Section 42 (2) of the Patent Law).

If a claim for priority has been declared for the senior application, a claim for internal priority cannot be additionally declared. This is because if cumulative claims were recognized, it would have the same practical effect as recognizing an extension of the one-year time limit for the priority claim under the Paris Convention⁸. However, the claim for internal priority can be declared regarding any new matters that are not described in the specification or the drawings of the application on which the priority claim is based (partial priorities).

The following are some specific methods of use of the claim for internal priority.

Firstly, there is the case of merging an invention that was made after the filing of the senior application into one application. An example case is where an inventor first invents a certain product, and then invents a “process of manufacturing that product,” or makes a process invention first, and then invents “machines, instruments or equipment directly used for the working” (Section 37 of the Patent Law).

Secondly, it can be used for extracting the generic concept. This is a case where a person files applications for individual ideas, and later summarizes them into a generic concept and files a new single application for it.

Thirdly, it can be used for supplementing working examples. This method, which is particularly important in the chemical field, is a case where a person conducts experiments and adds working examples after filing an application for the generic concept that had not been exemplified by working examples. Such supplementation is

⁸ Cumulative claims for a right of priority are also prohibited under the Paris Convention, because it would practically become possible to declare such claims even after the one-year time limit. Bodenhausen, *Pari Jouyaku* (Annotated Paris Convention): p. 31; Hashimoto, *Tokkyo Kanren Jouyaku* (Patent-related Treaties): p. 43; Hashimoto, *Tokkyo Hou* (Patent Law): p. 74.

often not approved as an amendment.

These are all methods of use that add something to the senior application, but it is also possible to transfer the content of the senior application “as is” into the junior application. Practically, this has the effect of extending the starting date for computation of the patent term to up to one year. Such mode of use may not have been originally intended by the legislators, but it is not prohibited.

Subsection 2 Laying Open of the Application

Item 1 Reasons for and Significance of Introducing the System of Laying Open the Application

Before the 1970 amendment of the Patent Law, in principle all patent applications had been examined. However, this amendment introduced the request for examination system and the system of laying open the application, whereby all applications pending before the JPO are laid open to the public by the JPO Commissioner eighteen months after the filing date (excluding those for which a notice in the Patent Gazette has been already issued as well as the later-mentioned patent applications under the US-JP agreement and patent applications indirectly subject to the US-JP agreement) (Section 64 onward of the Patent Law). Upon laying open the application, the entire text of the application is disclosed in the Patent Gazette for publication of unexamined applications (Section 64 (2) of the Patent Law).

Since applications for which a claim for priority has been declared need to be published the same as with other applications, the time for the laying open of the application is computed from the filing date of the first application (Section 17^{ter} of the Patent Law). The eighteen-month period is roughly the common period among the countries or treaties adopting this system. The laying open of an application is a compulsory publication, which is conducted regardless of whether or not the application will be examined. Originally, the patent system had granted an exclusive right in return for publishing the invention, but the system of laying open the application has caused a slight change in that principle. In other words, the direct link between the grant of an exclusive right and the publication has become more vague, and the patent system has come to focus more on the industrial promotional merit brought by the laying open of the application. However, this, conversely, has presented the problem of how to compensate the applicant for the laying open of the application, giving rise to the various debates mentioned below regarding the legal nature of the right to demand compensation for damages.

The following are significant points that can be assumed in introducing the

system of laying open the application.

(1) Delay of patent examination sometimes has a critically adverse effect on the patent system. In Japan, considerable delay has been observed in examination due to the rapid increase in the number of patent applications. However, examination was expected to speed up by introducing the system of laying open the applications and the request for examination system. With the introduction of these procedures, one could search other people's published applications at an early stage, and refer to the results to determine whether or not to request examination for one's own application, or if one had not yet filed the application, determine whether or not to file the application. In this way, the introduction would help to keep down the number of applications to be examined and the number of applications filed.

(2) Since inventions would be published at an early stage, the introduction of the system would contribute to improving the technical standard of society and have the effect of reducing overlapping research investments by allowing people to find out the technology status of others at an early stage.

(3) Due to the concurrently introduced request for examination system, applications are no longer examined in the order of filing, so there is a situation where a later-filed application could be registered first. In other words, examination is only conducted when requested, and the timing of the examination can be freely selected by the applicant (a third party in certain cases) as long as it is within seven years from the filing date. Therefore, unless the early publication system is adopted, the applicant would be able to intentionally manipulate the timing of publication of the technology, which is not desirable. An impartial patent system could be maintained by laying open all the applications in eighteen months.

(4) Early publication of inventions would facilitate determination of the seniority status of applications as well as information gathering¹, so more accurate examination could be conducted.

¹ After the laying open of the application, any person becomes able to offer information as long as the application is pending before the JPO (Section 13*bis* of the Patent Law); therefore it becomes easier to gain the cooperation of third parties, and because the application is no longer a secret, it becomes easier to make a request for investigation to relevant administrative organs, etc. (Section 194 (2) of the Patent Law).

(5) The system of laying open the application had been adopted by an increasing number of countries, even in the European Patent Convention and the Patent Cooperation Treaty (PCT), so adoption of the system was essential for achieving international harmonization. Even if Japan did not adopt the system, as long as many other countries adopted it, information on the applications that were kept secret in Japan until the patent registration could often be leaked from patent gazettes of other countries, so in many cases there would be no point in keeping the inventions secret. Particularly, many Japanese companies also filed foreign applications for important inventions, and there was no meaning in keeping such applications secret only in Japan until the patent registration².

Meanwhile, most countries adopt the secret patent system, which was also adopted in Japan before the war. However, the secret patent system is no longer adopted by the Japanese Patent Law, so all applications except for those that are likely to contravene public order and morality or harm public health are laid open to the public. Nevertheless, the third paragraph of the protocol of agreement between the Japanese government and the United States government which facilitates the exchange of technical knowledge and patent rights for the purpose of defense (the so-called 1956 Agreement; Treaty No. 12 of 1956) stipulates that when technical knowledge provided to the other government for the purpose of defense is subject to a secret patent in the country that provided the knowledge, the patent application in the other country shall be treated in a similar manner. As Japan has no secret patent system, this was basically a provision for protection of U.S. secret patents, and as long as the application in the United States is kept secret, the application cannot be published in Japan either. This provision was not implemented in practice for a while, but due to the strong demand by the United States in 1988, detailed procedural regulations for the implementation were created. According to the regulations, the provision shall be applied to technical knowledge claimed in a U.S. secret patent application that has been provided to the Japanese government in order to have a patent or utility model application filed for it in Japan (a patent application under the US-JP agreement), and to national applications filed by a private interested party who has learnt about the content of a U.S. secret patent application from the Japanese government or a Japanese government official that has received materials on a U.S. secret patent application for the purpose of defense, which would disclose the secret technical knowledge (patent applications indirectly subject to the US-JP agreement). After the JPO receives such an application and

² As for the reasons for introducing the early publication system in Germany, etc., see Gotou, *Tokkyo Hou No Kaisetsu* (Explanation on the Patent Law): p. 178.

examines its formalities, it suspends the entire procedure concerning the application, and does not lay open the application to the public while the application is kept secret in the United States. The JPO resumes the procedure when it receives notification from the United States government that the application is no longer a secret. Accordingly, the provision on laying open of the application under the Patent Law is considered to be virtually revised to that extent³. Since the system of laying open the application did not exist at the time of conclusion of this agreement, there were less problems then than at present.

There remains the issue of a case where the same invention as an application under the US-JP agreement or an application indirectly subject to the US-JP agreement is filed as an unrelated junior application. As the procedure for the senior application is suspended pursuant to the agreement, the junior application could be published and registered first. If the secrecy of the senior application is later cancelled, the senior application will be processed in the same way as an ordinary application, so a patent will be granted for it as long as it has patentability. In such a case, the junior application does not obstruct the patenting even if it has already been registered (See Section 39 of the Patent Law). At that point, the junior application will be subject to a ground for invalidation as a double patent (Section 123 (1) (ii) of the Patent Law). When the patent granted for the junior application is invalidated, the applicant who made the junior application merely obtains a non-exclusive license based on use prior to the demand for an invalidation trial (Section 80 (1) (i) of the Patent Law). Such an incidence is likely to be rare in reality, considering the number of applications on U.S. secret patents filed in Japan, the time taken until the secrecy is cancelled, the time required for examination, and other factors, but the problem remains in theory.

Item 2 Effects of Laying Open the Application

Due to the introduction of the system of laying open the application, the direct link between the publication of the invention and the grant of an exclusive right became vague, and applicants came to face the disadvantage of having the invention published before obtaining a right for it. Therefore, a need arose to recognize special effects in laying open the application. These effects are reviewed below.

1. Right to Demand Compensation

Before the 1994 amendment, the Patent Law adopted the system of publication

³ Formally, there is no problem, because treaties are of higher priority than laws.

of examined applications, and recognized the right to demand an injunction from the time the examined application was published (Section 52 of the Patent Law before the 1994 amendment). As the system has been abolished under the current Law, the right to demand an injunction is now recognized upon patent registration (Section 66 (1) of the Patent Law). However, when the invention is made public with the laying open of the application, it practically becomes possible for third parties to copy the invention, which may cause unbearable damage on the applicant's part. However, it is not reasonable to recognize the right to demand an injunction regarding applications for which examination has not been completed, considering that a considerable number of such applications are later refused. Accordingly, the right to demand compensation was established. Specifically, Section 65 of the Patent Law recognizes the applicant's right to demand as compensation a sum of money equivalent to what he/she would be entitled to receive for the working of the invention if the invention were patented (sum equivalent to the license fee). The compensation is claimed for the working during the period from after a warning is made (in the case of working in bad faith, the point at which the invention was worked in bad faith) until the registration. The right to claim compensation may not be exercised until after the patent registration (Section 65 (2) of the Patent Law). The provisions on acts deemed to be infringements (Section 101 of the Patent Law), on presumption of manufacture by patented process (Section 104 of the Patent Law), and on production of documents (Section 105 of the Patent Law) are applied *mutatis mutandis* to the exercise of the right, but the provision on presumption of negligence (Section 103 of the Patent Law) is not. This is natural, because warning or bad faith is set forth as a requirement. The right to demand an injunction and the right to demand compensation for damages after the patent registration are not at all affected by the exercise of this right to demand compensation for the working during this period (Section 65 (3) of the Patent Law). In other words, a product manufactured during the laying open of the application constitutes an infringing product, and even if compensation were paid for it, its use after the patent registration would still be infringement.

In order to demand compensation, it is necessary to give a written warning to a person who has commercially worked the invention claimed in the application (no warning is required when the working is in bad faith), and the actual exercise of the right must be after the patent registration¹.

¹ The fact that warning or bad faith is set forth as a requirement means that there is no obligation for third parties to conduct prior searches of the Patent Gazettes for publication of unexamined applications. This is because it is not reasonable to make people investigate the enormous amount

This law should be interpreted that when the application becomes patented, compensation cannot be demanded from a party having a status that can set up against the patent (a prior user, a user in the case of an employee's invention, etc.). One problem is whether or not demand for compensation can be allowed against a person who has independently made and worked the invention but who cannot obtain a prior user's right. Since the Patent Law does not stipulate any restrictions regarding such a case, it will not be possible to recognize that that person has the same status as a prior user².

Lastly, there is the issue of the legal nature of the right to demand compensation. This point has not been clearly set forth in the legislative process³. The theories can be roughly divided into two. One is to consider that, because an unexamined application cannot be regarded as a right, a third party's act does not constitute an act of tort; therefore, the right to demand compensation is a special right to make a claim that has been exceptionally recognized under the Patent Law⁴. The other theory considers that, because a patent applicant already has certain rights (e.g. the right to obtain a patent) even before the examination of the application, the third party's act constitutes an act of tort as infringement of those rights; therefore, the right to demand

of materials before the application is patented. Therefore, when the applicant demands compensation, he/she needs to give a warning by indicating the content of the laid-open invention and the later amendments, if any. If the content of the claim further changes due to amendment after the warning, the applicant would need to give a warning again, because amendment retroacts to the filing date, and the application is treated as if it has initially been filed for the amended content. However, if the scope of the claim has merely contracted, the second warning is not considered to be necessary. The Supreme Court decision on July 19, 1988, Civil Court Decisions by the Supreme Court, Vol. 42, No. 6: p. 489 (the Ground Strap case) ([Annotation] Kazufumi Dohi, Jurist, No. 935: p. 239; Takeshi Mizuno, *Housou Jihou* (Bar Journal), Vol. 42, No. 3: p. 634; Takeshi Mizuno, Jurist, No. 926: p. 86; Tatsuki Shibuya, Court Decision Journal, No. 1303: p. 215). The Osaka District Court on May 31, 1989, Court Decisions Relating to Intangible Property, Vol. 21, No. 2: p. 470 (the Pillar Protecting Tool case); Yoshifuji, *Tokkyo Hou* (Patent Law): p. 416; Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 590 [Matsumoto]; Gotou, *Tokkyo Hou No Kaisetsu* (Explanation on the Patent Law): p. 162; Takeda, *Tokkyo No Chishiki* (Knowledge of Patents): p. 276. Today, the second warning is often not required, because, as mentioned later, amendment is restricted at present.

² JPO, *Chikujou Kaisetsu* (Clause-by-Clause Explanation of Industrial Property Laws): p. 170; Toyosaki, *Kougyou Shoyuiken Hou* (Industrial Property Laws): p. 190; Sumio Shinagawa, "Kaisei Hou Ni Okeru Shutsugan Koukoku No Kouka To Shutsugan Koukai No Kouka Ni Tsuite (Effects of the Publication of Examined Applications and Those of the Publication of Unexamined Applications under the Amended Patent Law)," *Tokkyo Kanri* (Patent Management), Vol. 22, No. 1: p. 19.

³ For discussions concerning the legislation process, see Kyounosuke Sasaki, "Hoshoukin Seikyuuken No Houteki Seikaku Ni Tsuite (Legal Nature of the Right to Demand Compensation)," *Kigyuu Hou Kenkyuu* (Study on Business Law), No. 183: p. 4.

⁴ Hashimoto, *Tokkyo Hou* (Patent Law): p. 84; Toyosaki, *Kougyou Shoyuiken Hou* (Industrial Property Laws): p. 190; Aoki/Aragaki, *Tokkyo Tetsuzuki Hou* (Patent Procedural Law): p. 154; Gotou, *Tokkyo Hou No Kaisetsu* (Explanation on the Patent Law): p. 160.

compensation is the right to demand compensation for damages⁵.

In general, information can be freely used by anybody. Therefore, a legal ground would be required to claim some protection for certain information. In order to exercise the right to demand an injunction or the right to demand compensation for damages regarding technical information, it must be based on the Patent Law or the Utility Model Law. Moreover, if that technical information is a trade secret that satisfies the requirements under the Unfair Competition Prevention Law, it is possible to eliminate the illicit infringement or to demand compensation for damages. A patent right can only be exercised after it has been registered, so during the period from laying open of the application to the registration, there is basically no right that is effective against third parties. Problematic cases were fewer before the 1970 amendment, because all applications were examined in principle, and they were not published until the publication of the examined applications. However, after the amendment, all applications came to be laid open eighteen months after the filing date, as a rule, without any provisional protection, so without taking any measures, the inventions become available for free working by third parties. Prior to the amendment an applicant could keep the technology as a trade secret until the publication of the examined application, so, it is rather harsh on the applicant to have the invention compulsorily laid open without any compensation for it. Accordingly, there was a need to establish a special provision under the Patent Law concerning working of the invention by a third party after the laying open of the application.

Certain rights centering on the right to obtain a patent exist even before the patent registration (Sections 33 and 34 of the Patent Law), but they cannot serve as the basis for demanding compensation for damages as an effect of an act of tort. As a matter of course, an act of tort could be committed against the right to obtain a patent, but that is an issue determined by the mode of the act of tort⁶. Even if the technology

⁵ Osamu Takura, “*Hoshoukin Seikyuuken To Tokkyo Wo Ukeru Kenri* (The Right to Demand Compensation and the Right to Obtain a Patent),” *Tokkyo Kanri* (Patent management), Vol. 22, No. 1: p. 8; Osamu Takura, “*Kaisei Tokkyo Hou Ni Okeru Hoshoukin Seikyuuken Ni Tsuite* (The Right to Demand Compensation under the Amended Patent Law),” *Kigyoo Hou Kenkyuu* (Study on Business Law), No. 183: p. 14. Another similar theory considers that an invention is a kind of property right, and a certain substantive right is recognized for it even before examination, so the right to demand compensation is the right to demand compensation for damage from the infringement of that right (Sasaki; note 3). The statement in Tomoko Takii, “*Kaisei Tokkyo Hou Ni Okeru Hoshoukin No Seikaku* (Nature of Compensation under the Amended Patent Law),” *Kigyoo Hou Kenkyuu*, No. 183: p. 21 is based on a view that the working of an invention by a third party after the laying open of the application is legitimate. It states that the right to demand compensation for the working after the laying open should be considered to be the same as the right to demand compensation for damage, and it would be sufficient to allow its exercise at the time of publication of the examined application.

⁶ A third party can legitimately learn the content of an invention after the laying open of the

subject to a right to obtain a patent was worked by a third party, that is not enough to demand compensation for damages based on the right to obtain a patent.

If the working of an invention by a third party after the laying open of the application were considered to constitute an act of tort or the like, the same must apply for the working by a third party before the laying open of the application. In other words, the inventor has the right to obtain a patent even before the laying open of the application, and also, there is a possibility that a third party would work the invention⁷. A similar situation could take place even before the filing of the patent application. However, it goes without saying that demand for compensation cannot be allowed by considering the act as infringement of the right to obtain a patent before the laying open of the application. These are cases that should be handled under the Unfair Competition Prevention Law or tort law. Therefore, the right to demand compensation should be considered as being specially established under the Patent Law to provide a remedy for applicants who receive practical damage from the system of publishing the inventions at an early stage for the benefit of society. The legislators are assumed to have had a similar idea. Because of this, such an act of a third party should not be considered as an act of tort, but a legitimate act instead. In the case of exercising the right to demand compensation, the provisions on the act of tort (Articles 719 through 724 of the Civil Code) are applied *mutatis mutandis* (Section 65 (5) of the Patent Law) only for the sake of convenience.

Furthermore, if the right to demand compensation were considered to be a right to demand compensation for damages, it would not be possible to exercise the right against a person who has independently developed the technology. Any damage on the applicant's part would mean damage caused from having the invention compulsorily laid open and having the invention copied by a third party as a result. However, a person who independently developed the invention made the technology unrelated to the applicant, so there is no causal relation between them. Particularly, there is no reason for demanding compensation from a third party who had developed and worked the invention before the laying open of the application⁸, and even if the party developed

application, so the third party's working of the invention would rarely be in a mode that would constitute an act of tort. If something were to constitute an act of tort, it would more likely be the working of the accompanying know-how, rather than the filed technology itself.

⁷ If an act of a third party were in such a mode as to constitute an act of tort or to violate the Unfair Competition Prevention Law, it can simply be handled under the respective laws, but there can be a case where the act does not correspond to either of them, for instance, a case where the applicant publishes the content of the technology by negligence and a third party who saw it works the invention.

⁸ Compensation as mentioned in the text is naturally not demanded from a person entitled to a prior

the invention independently after the laying open of the application, the same applies since searching of the Patent Gazettes for publication of unexamined applications is not obligatory. Nevertheless, the Patent Law does not stipulate any restrictions on the parties from whom compensation can be demanded, so compensation can actually be demanded regardless of whether or not the third party has independently developed the invention⁹.

2. Preferential Examination

user's right. The problem here is the case of a person who does not satisfy the requirements for the prior user's right (Section 79 of the Patent Law), but has independently developed and worked the invention.

⁹ This theory is subject to opposition. An opposing theory is introduced in Yoshifuji, *Tokkyo Hou* (Patent Law): p. 415.

The right to demand compensation arises upon the laying open of the application, but the applicant must wait until the patent registration to actually demand the payment, and the measure may turn out to be ineffective unless he/she demands an injunction immediately. A third party who receives a warning could also hope to get out of such unstable situation quickly. Accordingly, when the JPO Commissioner recognizes that a person other than the applicant is commercially working the invention, he/she may, if necessary, direct the examiner to examine the application in preference to other patent applications (Section 48*sexies* of the Patent Law). This does not recognize a right to request preferential examination on the applicant's part but, instead, it is left to the discretion of the JPO Commissioner¹. The applicant may submit an explanation of circumstances to urge the JPO Commissioner to exercise authority (Section 31*ter* of the Regulations under the Patent Law), but the applicant cannot make an appeal against the Commissioner's decision regarding this matter.

3. System of Entrusting Search and System of Offering Information

Since the laying open of applications basically publishes all applications, and reduces the secrecy of the applications to that extent, the JPO Commissioner or the examiner may entrust a related administrative organization or other body with the search necessary for examination (Section 194 (2) of the Patent Law). In addition, anybody may voluntarily offer information regardless of whether or not a request for examination has been made, even without being so requested by the JPO Commissioner or the examiner (Section 13*bis* of the Regulations under the Patent Law). This is a mere offer of information, so the provider of the information does not have the right to receive a report on the result.

Due to these measures, the JPO can obtain materials and raise the quality of examinations.

4. Special Provisions on International Applications

The Patent Cooperation Treaty (PCT) provides that publication of an international application must have the same effect as the publication of an unexamined national application (Article 29 (1) of the PCT). Therefore, the right to demand compensation also arises for publication of an international application. Nevertheless,

¹ For instance, preferential examination can be rejected if the applicant had collusively made a third party work the invention in order to have the application examined preferentially. As for matters that should be considered in determining whether or not preferential examination is necessary, see Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 500 [Gotou].

as the PCT stipulates that special provisions can be established in national law concerning the time from which the international publication takes effect due to the difference in language (Article 29 (2) of the PCT), the Japanese Patent Law stipulates that the right to demand compensation arises after the national publication with regard to applications in a foreign language (Section 184*decies* of the Patent Law).

Subsection 3 Amendment

Item 1 Introduction

Amendment refers to supplementation or revision of any deficiency in proceedings with the JPO, or any deficiency, error, or ambiguous description in the specification or drawings. Amendments are divided into two classes: formality amendments and substantive amendments. Sometimes amendment is made voluntarily (Section 17 (1) of the Patent Law), but in some cases, amendment is made by an order (Section 17 (3) of the Patent Law amended in 1993)¹.

The filing procedure is quite complicated, so it is too severe for applicants to receive a disposition of refusal of receipt for applications having a deficiency. At the same time, although it is more desirable for an application to be complete from the beginning, the first-to-file system requires that the applicant file the application as soon as possible, so it is unreasonable to allow no amendment after the filing. In particular, the more pioneering the invention is, the more severe it is to require complete specification and drawings upon the filing. Therefore, many countries allow amendment after the filing, and Japan also allows such amendment in principle². However, as amendment has a retroactive effect³, unlimited amendment would run contrary to the first-to-file principle and harm the interests of third parties. Also, it

¹ It is provided that the JPO Commissioner or the appeal examiner-in-chief may order amendment when the applicant violates the provision on the capacity to proceed or on the power of attorney, when the proceeding violates the prescribed formality, or when fees paid are insufficient. The Commissioner or the appeal examiner-in-chief is not required to order amendment in these cases, and does not need to give an order when the deficiency is slight. On the other hand, when an application lacks essential requirements, and if it is considered inadmissible from the overall principle under the Law allowing perfection of the application by amendment, a disposition of refusal of receipt is given instead of an order to amend.

² A foreign language file and foreign language abstract of a foreign language file application (Section 36*bis* of the Patent Law; only English is presently allowed by a ministerial ordinance) cannot be amended (Section 17*bis* of the Patent Law).

³ Although there is no provision on the retroactive effect, it is regarded as a matter of course. According to Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 112 [Gotou], establishment of a provision on the retroactive effect was considered when legislating the current Law, but it was decided to address this matter by interpretation of the Law.

could make the procedures more complicated or confusing. Therefore, amendment can only be made while the application is pending before the JPO (specifically, until the completion of the examination and while the application is pending in an appeal/trial or a retrial), as a rule, but amendments of the specification, drawings, and the abstract are allowed under certain time and scope restrictions for the respective proceeding phases in the filing procedure (Section 17 (1) of the Patent Law). The following paragraphs review the crucial part of the amendment, which is amendment of the specification, drawings, and the abstract, by following the process of the filing procedure.

Amendment cannot be made after the patent registration, because the procedure is no longer pending before the JPO, so correction is made in a trial correction (Section 126 of the Patent Law). With the 1993 amendment, it also became possible to demand correction in a trial for invalidation (Section 134 (2) of the Patent Law).

Conventionally, the admissible scope of amendment in Japan was broader compared with that of other countries. This was because Japan had adopted the single claim system, in which it was often difficult to disclose a complete claim at the initial filing. However, due to the present adoption of the multiple claim system, which has made it easier to disclose a comprehensive claim from the beginning, and the internal priority system, there is less need to recognize a broad scope of amendment as in the past. In addition, as recognition of the wide scope of amendment had considerably delayed examinations, there was a need to take some drastic measure. Furthermore, while a third party needs to pay attention to the amendment of other people's applications because the right to demand compensation arises after the laying open of an application, monitoring alone was creating an excessive workload due to the enormous number of applications filed nowadays. Such workload was expected to be reduced by restricting the scope for admissible amendment. Accordingly, the amendment system was drastically revised in 1993 and 1994, greatly restricting the scope in which amendment could be made⁴.

In addition, in a report by the Industrial Property Council in 1992, the Council recommended the abolishment of the pre-grant opposition system and a shift to the

⁴ For explanation of the amended provisions, see Industrial Property Legislation Revision Deliberation Office, JPO, "*Tokkyo Hou/Jitsuyou Shinan Hou No Kaisei Ni Tsuite* (Amendment of the Patent Law/Utility Model Law) (1)," *Hatsumei* (Invention), Vol. 90, No. 7: p. 24; Yoshinobu Murofushi/Makoto Kamogari, "*Kaisei Tokkyo Hou Ni Okeru Hosei No Toriatsukai Ni Tsuite* (Handling of amendment in the amended Patent Law)," *Patent*, Vol. 46, No. 5: p. 73; Fumiaki Ootsuka, "*Tokkyo Hou Oyobi Jitsuyou Shinan Hou No Kaisei* (Amendment of the Patent Law and Utility Model Law)," *Patent*, Vol. 46, No. 6: p. 9; Kenichi Kumagai, "*Tokkyo Hou/Jitsuyou Shinan Hou No Kaisei Ni Tsuite* (Amendment of the Patent Law/Utility Model Law)," *Jurist*, No. 1029: p. 111.

post-grant opposition system. Some of the recommendations of this report (rectification of amendment, simplification of the appeal/trial system, etc.) were accomplished in the aforementioned 1993 amendment. Despite the fact that the shift in the opposition system was recommended in the report, the government kept it unchanged as a diplomatic resort and was waiting for the right timing for amendment. The post-grant opposition system was finally established upon the 1994 amendment (it entered into force on January 1, 1996), and the system of publication of examined applications was abolished accordingly. Since the publication of the examined application had granted the applicant a right to provisional protection, which virtually had a similar effect as a patent right, the publication (to be more accurate, the transmittal of a copy of the decision of publication of the examined application) served as an important point that divided the period and scope in which amendment could be made. The 1993 amendment restricted the admissible scope for amendment, and the 1994 amendment simplified the admissible period for amendment, establishing a new amendment system as a result.

However, due to the transitional provisions, amendment of the applications pending at that time must be made in accordance with the former provisions. Accordingly, the provisions before the amendment will be applied to a vast number of cases for some time. The following part shall describe the latest provisions, but the former provisions shall be referred to as required, since they are thus also important in practice.

Item 2 Period for Amendment

This part first describes the limit on the period in which amendment can be made to the specification and drawings. Under the current Law, a patent applicant may make amendment anytime before the transmittal of a copy of the decision of registration, unless he/she receives a notification of reasons for refusal (Section 17*bis* (1) of the Patent Law).

Incidentally, the system of publication of examined applications had been used before the 1994 amendment (the part that entered into force in 1996)¹, so the period for

¹ Before the 1994 amendment, a right for provisional protection that was similar to a patent right was granted to the application after the publication of the examined application. Accordingly, amendment of the specification and drawings after publication had been strictly limited both in terms of period and content, in relation to third parties. Since the patent system grants a monopoly for an invention, the scope of that exclusive right must be fixed at some point in relation to third parties. Conventionally, that point was the time of publication of the examined application. As a result, the restriction on the amendable content was much more severe after the publication.

Amendment after publication was restricted in content to the same extent as for correction after

the patent registration, but the two differed in respect to the period for amendment/correction. As correction is made after the patent registration, as described in detail in the part of this book concerning appeals/trials, it cannot be processed as part of the examination procedure, so the correction is made in a trial. In contrast, amendment before the patent registration is processed as part of the examination procedure even after the publication of the application, so it is natural that the period differed between the two.

At the same time, before the introduction of the system of publication of unexamined applications, the publication of an examined application was the first time an invention was published, which was, at the same time, initiation of an exclusive right. Therefore, it was understandable to consider the publication of examined applications important. However, the timing of publication and the timing of initiation of the exclusive right became different, and various problems occurred as a result. Therefore, it was inevitable for the period and scope of amendment to become complicated with the introduction of the early publication system. The timing of publication and that of initiation of the exclusive right are still different today when the system of publication of examined applications has been abolished, but the system of amendment was simplified upon the abolishment of the former publication system.

Specifically, before the 1994 amendment (which entered into force in 1996), the period for amendment was divided into three periods, each having different restrictions regarding the period for amendment. Although the current Law (Law amended in 1994) has abolished the publication of examined applications, publication conventionally served as one of the points that divided such periods. The specific restrictions regarding the period for amendment were as follows (The cited provisions are those before the 1994 amendment):

(A) Within fifteen months from the filing date (Sections 17 (1) and 17*bis* (1))

Within fifteen months from the filing date and before the decision of publication of the examined application (in reality, examination took a long time, and publication of examined applications was never made within fifteen months from the filing date, so this requirement was virtually never applicable), the JPO had merely received the application, and had not published it yet, so there was hardly any problem in making amendment at any time during this period. The period of fifteen months from the filing date was decided upon by considering the one-year time limit for the right of priority under the Paris Convention, and calculating that three months would be required for preparation, including printing, for the publication of unexamined applications, which was made eighteen months after the filing date.

(B) After the fifteen-month period from the filing date and before the publication of examined applications (Section 17*bis* (1) of the Patent Law)

During this period, amendment could be made only in the following cases:

- Amendment could be made concurrently with a request for examination.
- When receiving a notification that a request for examination has been made by a party other than the applicant, amendment could be made within three months from the date of notification.
- When receiving a notification of reasons for refusal for the first time, amendment could be made within the reasonable period designated in Section 50 of the Patent Law (normally sixty days regarding national applications and three months regarding applications filed from other countries).
- Amendment could be made within the time limit designated by the final notification of reasons for refusal.
- When demanding an appeal of an examiner's decision of refusal, amendment could be made within thirty days from the date on which the demand was made.

Before the 1993 amendment, the system of final notification of reasons for refusal did not exist, so there was no provision related to it as a matter of course.

(C) After the publication of examined applications (Section 64 (1) of the Patent Law)

Upon publication of the examined application, the applicant was given a provisional right resembling a patent right. Therefore, strict requirements were imposed regarding amendment after the publication both in terms of period and content, in relation to third parties. Amendment was only allowed in the following periods:

amendment differed before and after the publication (to be more accurate, the transmittal of a copy of the decision of publication of the examined application). However, with the abolition of the system, the period for amendment was no longer different for before and after the publication, but became different by reason of whether or not the applicant received a notification of reasons for refusal.

Prior to the 1994 amendment, from the date fifteen months after the filing the Patent Law did not allow amendment on an “as required basis”, but only in a restricted manner. If amendment on an as required basis were admitted after the laying open of the application, it would stop the examination procedure each time an amendment was made, so this restriction was established to facilitate implementation of the procedure. However, in the case of an application filed from other countries for which a claim for priority right has been claimed under the Paris Convention, a time limit of one year is recognized for the prior right, so it is often difficult to make amendment within fifteen months from the filing of the first application. Accordingly, sometimes amendment could only be made upon request for examination in such a case, resulting in rising calls for relaxation of the restriction on the period for amendment. However, if the restriction were relaxed only for the applications for which a claim for priority right has been declared, there would be inequality between national applicants and foreign applicants, so the restriction was relaxed uniformly. As a result, amendment came to be allowed any time before the transmittal of a copy of the decision of patent registration (Section 17*bis* (1) of the Patent Law).

In cases where a notification of reasons for refusal has been made, the current

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- Amendment could be made within the time limit designated by the notification of reasons for refusal.
 - Amendment could be made within the time limit for submission of a written reply to an opposition to the grant of a patent.
 - When demanding an appeal of an examiner’s decision of refusal, amendment could be made within thirty days from the date on which the demand was made.

Before the 1993 amendment of the Law, an appeal could be made against an examiner’s decision to decline amendment (Section 122 of the Patent Law before the 1993 amendment; hereinafter the “Law before the amendment”). Accordingly, a decision of refusal could not be given until after thirty days from the transmittal of a copy of the decision of refusal (Section 53 (3) of the Law before the amendment), and if an appeal was filed against it, the examination procedure was suspended until the appeal was settled (Section 53 (4) of the Law before the amendment), which was one of the causes for the delay of examinations. Also, when the applicant received a notification of reasons for refusal, he/she could make amendment as many times as desired, which caused delay of examination because examination had to be made all over every time an amendment was made, which resulted in inequality between such an applicant and an applicant who prepared a perfect specification from the start. Accordingly, the Law was amended in the current manner to limit the scope of amendment concerning the final notification of reasons for refusal so that the result of the amendment does not bring the examination up to that point to naught. (The specific scope shall be described in Item 3.)

Law recognizes an exception regarding the period for amendment of the refused specification and drawings (Proviso of Sections 17 (1) and 17*bis* (1) of the Patent Law).

Specifically, if a decision of refusal has been given, amendment can be made only during the following periods (Proviso of Section 17*bis* (1) of the Patent Law):

(A) where the applicant has received the first notification of reasons for refusal, within the time limit designated thereby;

(B) where the applicant has received the final notification of reasons for refusal (usually, the second notification), within the time limit designated thereby; and

(C) within thirty days from the date on which an appeal has been made against an examiner's decision of refusal.

In this manner, the number of times for admissible amendment after the notification of reasons for refusal became twice, in principle, under the current Law, except when a trial is demanded².

Meanwhile, the abstract can be amended only within fifteen months from the filing date as in the past, since it is not related to a right (Section 17*ter* of the Patent Law).

Item 3 Admissible Scope of Amendment

² At the time of the first notification of reasons for refusal, examination is made on the reasons for refusal under Section 49 of the Patent Law, and any amendment concerning these reasons is allowed provided that no new matters are added. Then, only the reasons for refusal that newly arose from that amendment are made subject to the second (final) notification of reasons for refusal (a notification of reasons for refusal that is further made after the amendment in response to the first notification of reasons for refusal; Section 17*bis* (1) (ii) of the Patent Law). The scope of amendment allowed for the second notification is strictly limited in terms of content (Section 17*bis* (3) and (4) of the Patent Law). The reasons in the first notification of reasons for refusal are those that are first indicated to the applicant, so despite the fact that the final notification of reasons for refusal is formally the second notification, any reasons that should have been notified first, but were left out are excluded from it and instead are notified in an additional notification of reasons for refusal, which is also subject to amendment.

This part shall describe the admissible scope of amendment. Before the 1993 amendment of the Law, amendment could be made as long as it did not change the gist of the application¹. However, in the current Law, “amendment of the specification or drawings” must remain within the scope of the features disclosed in the specification or drawings originally attached to the request (Section 17*bis* (3) of the Patent Law). This principle was introduced in the Law amended in 1993, and is referred to as a prohibition of addition of new matters. In other words, amendment of the specification or drawings is basically allowed unless new matters are added. (Amendment is allowed in

¹ Before the 1993 amendment of the Law, there was no restriction on the scope of amendment before the publication of the examined application, as long as it did not change the gist of the application (Section 41 of the Patent law before the 1993 amendment). The problem was what should be regarded as amendment that changes the gist of the application. Although the Patent Law included the wording “change of the gist,” it did not have a definition for it. Before the publication of the examined application, an increase, decrease, or change of claim(s) within the scope that was described in the specification or drawings originally attached to the request was not considered to be a change of the gist (Section 41 of the Patent Law before the 1993 amendment). Meanwhile, the Examination Guidelines had set forth that when the technical items described in the patent claim(s) come to be no longer within the scope described in the specification or drawings originally attached to the request as a result of amendment of the specification or drawings, the amendment is considered to have changed the gist of the specification. Conversely amendment was allowed if it was within the same scope as the invention that was described at the time of the filing; that is, within the scope that does not change the essence of the invention. It was also possible to recover a once deleted description by amendment as long as it was initially described in the request.

Recognition of such amendment was considered to be beneficial for the applicant, and as not running counter to the first-to-file system, for it was made within the same scope as the invention that was initially disclosed in the request. Also, such amendment was considered to have small effect on third parties if it was done before the publication of the examined application. The applicant acquired the right to demand compensation after the publication of the examined application, but since exercise of this right required bad faith or warning, the disadvantage to the opponent was considered to be within a tolerable level. The idea must have been that, in the case where one saw and worked another person’s published application by judging that it would not be an infringement, and later, the claim was expanded by amendment, that person would, although a warning would be required, be subject to the disadvantage of having to pay compensation after receiving that warning, but such level of disadvantage could not be helped. This kind of system was unique to Japan in comparison to the systems of other countries.

Before the 1994 amendment of the Law, amendment after the publication of an examined application was limited to material concerning the items indicated in the reasons for refusal or reasons for opposition to the grant of a patent (Section 64 (1) of the Patent Law amended in 1993), which was made for the following purposes (Sections 64 (3) and 17*ter* (3) of the Patent Law amended in 1993; Sections 64 (2) and 17*ter* (1) of Laws before the 1993 amendment).

- Restriction of the scope of claim(s)
- Correction of errors in the description
- Clarification of an ambiguous description

As the system of publication of examined applications was abolished in the Law amended in 1994 (it entered into force on January 1, 1996), the system of making amendment after the publication lost its meaning. This admissible scope of amendment is the same as the admissible scope of correction in a trial for correction (Section 126 of the Patent Law). There has been no change regarding this point in either the 1993 amendment or the 1994 amendment.

Section 17*bis* (1) and its scope is stipulated in Section 17*bis* (3) of the Patent Law.) The “new matters” here refer to items that a person skilled in the art can directly and unmistakably derive from the items disclosed in the specification or drawings originally attached to the request (“Implementation Guidelines on Amendment of the Specification and Drawings,” November 1993, Chapter 1, Section 2.2 (1)).

If amendment to add new matters were recognized, there would be inequality between an applicant who files an under-prepared application and makes amendment later and an applicant who makes efforts to prepare a perfect specification from the start. As a result, it would encourage the corrupt practice of filing an ill-prepared specification first and making amendment later. In addition, the recognition of the wide scope of amendment had delayed the examination procedure, and there was the fact that the Japanese system had been different compared with other parts of the world², so the system was amended in 1993.

“Amendment of the claim(s)” in response to the final notification of reasons for refusal or in making an appeal against an examiner’s decision of refusal can only be made in the following manner, apart from the requirement prohibiting addition of new matters (Section 17*bis* (4) and (5) of the Patent Law).

(A) Deletion of a claim(s);

(B) Restriction of the scope of claim(s) (amendment that restricts the features necessary for specifying the invention described in the claim, where the invention that was disclosed in the claim before the amendment and that is disclosed in the claim after the amendment are the same in terms of the field of industrial application and the problem to be solved);

(C) Correction of errors in the description;

(D) Clarification of an ambiguous description concerning items indicated as reasons for refusal.

Such amendment does not bring the examination up to that point to naught, but prevents repeated examination and contributes to speeding up the examination. In the case of restricting the scope of claim, the invention after the restriction must be one that could be patented independently, as a matter of course (Section 17*bis* (5) of the Patent Law).

Next comes the handling of an amendment that deviates from the admissible

² Amendment to add new matters is not recognized in most parts of the world. Also, it is not recognized either Article 14 (39) of the draft of WIPO’s Patent Cooperation Treaty. (As of 1998, enforcement of this treaty is still unforeseeable, but its content is important as it indicates the future direction of patent systems.)

scope of amendment.

Before the 1993 amendment of the Law, an amendment that would change the gist of the application was declined, but the applicant was able to make an appeal against the decision to decline (Section 122 of the Patent Law before the 1993 amendment). However, in the Law amended in 1993, an amendment to add new matters was prohibited (Section 17*bis* (3) of the Patent Law) and the applicant was no longer eligible to make an appeal against an examiner's decision to decline amendment (Section 53 (3) of the Patent Law), in order to expedite examination. If the applicant has an objection against the decision, he/she must dispute the matter in an appeal against an examiner's decision of refusal³.

When the amendment in response to the final notification of reasons for refusal is one that adds new matters, that amendment is declined (Section 53 (1) of the Patent Law), and usually, the decision of refusal is given at the same time. In other words, if an amendment to add new matters is made, it would constitute a reason for refusal (Section 49 (1) of the Patent Law), a reason for opposition to the grant of a patent (Section 113 (1) of the Patent Law), and a reason for invalidation⁴ (Section 123 (1) (i)

³ A amendment to add new matters constitutes a reason for refusal under Section 49 (1) of the Patent Law. In that case, the applicant is given an opportunity to submit a written argument pursuant to Section 50 and make amendment pursuant to Section 17*bis*. On the other hand, Section 53 (1) of the Patent Law sets forth that such amendment must be declined. Therefore, in order to avoid repetition of refusal and amendment, the proviso of Section 50 provides that the provision in Section 53 (1) takes precedence in the case where the amendment to add new matters was made in response to the final notification of reasons for refusal, so the amendment must be declined and the decision of refusal must be given as a result.

⁴ Inadmissible amendments had been dealt with by establishing complex stipulations, so as to prevent the applicant from being disadvantaged within a scope that would not cause unfair damage to third parties, through taking various measures. Accordingly, the provisions under the Patent Law have become complicated, but they are all intended to achieve this purpose. There have been drastic changes in relation to this matter both in the 1993 amendment and the 1994 amendment, so the related transitional measures are also complicated.

Before the 1993 amendment of the Law, an amendment before the publication of the examined application that would change the gist did not invalidate the patent, but the patent application was deemed to have been filed upon submission of the written amendment (Section 40 of the Patent Law before the 1993 amendment). In short, by moving the filing date to a later date, the patent could remain effective without unfairly damaging third parties who had worked the invention since before the amendment. However, due to such change of the filing date, the determinations on the novelty, inventive step, prior use, etc. are also made based on the time the amendment was made. Therefore, if the invention had become publicly known during the period from the filing to the amendment, the patent could become invalidated, and the application could also become publicly known by laying open of the applicant's own application. (The court held that a patent was invalidated because the application had become publicly known by a description in a printed publication as a result of the change of the filing date to a later date in the Tokyo High Court decision on November 29, 1978, Court Decisions Relating to Intangible Property, Vol. 10, No. 2: p. 594 (the Diamond Composition Method case)).

This point was greatly revised upon the 1993 amendments of the Law to make inadmissible

amendment made before the publication of the examined application (amendment to add new matters) not subject to a decline, but to refusal, and an amendment in response to the final notification of reasons for refusal subject to a decline. Accordingly, if the amendment were not declined due to a mistake, it would constitute a reason for invalidation (Section 123 (1) (i) of the Patent Law). However, with regard to amendment in response to the final notification of reasons for refusal, the scope of amendment is not only subject to the prohibition of adding new matters, but it is also severely restricted in other aspects (Section 17*bis* (3) of the Patent Law). Therefore, any defect in amendment that violates this provision is, unlike in the case of violating the prohibition to add new matters, not declined retroactively, even if it had been overlooked and the decision of refusal was given or the application became published as a result (Section 17*bis* (2) and Section 17*bis* (3) of the Patent Law are different in nature).

No change was made upon the 1993 amendment of the Law concerning inadmissible amendment after the decision of the publication of the examined application, and the patent was deemed to have been granted as if the patent application had not been amended. (However, the place of the provision changed from Section 42 before the 1993 amendment to Section 40 after that amendment.) In short, the application was treated as having not been amended. However, the admissible scope of amendment was changed after 1993 as mentioned earlier. (It was changed from prohibition to change the gist of application to prohibition to add new matters.) Since amendment after the publication of the examined application could only be made when the decision of refusal was given or an opposition was filed, to deem that the amendment was not made would have meant that the patent often included a reason for invalidation. Due to such a measure, the minimum right was at least maintained for the applicant while causing no unexpected damage to third parties.

As the system of publication of examined applications was abolished by the 1994 amendment, Section 41 of the Law that had stipulated the above measure was deleted, and the provision was made consistent with the contents of the measure for amendment before the publication of the

of the Patent Law). As a result of the restriction of the admissible scope of amendment and the abolition of the appeal against an examiner's decision to decline amendment, the examination procedure has been sped up.

When an appeal is made against an examiner's decision of refusal, the scope of amendment that is made within thirty days from the date of making the appeal is also subject to the same restriction as the amendment made in response to the final notification of reasons for refusal (Section 17*bis* (4) of the Patent Law).

Subsection 4 Examination

Item 1 Substantive Examination System and Non-substantive Examination System (Notification System)

There are two methods of granting a patent: a substantive examination system and a non-substantive examination system. The examination system includes not only the conducting of a formality examination, but also a substantive examination, and a patent is granted only for an application that was judged to satisfy the patentability requirements, including novelty and inventive step. On the other hand, the non-substantive examination system registers the application merely by formality examination, and any disputes on patentability are examined post factum in court.

Under the substantive examination system, the patent right is highly credible and legally stable because the validity of the patent has been examined by the JPO, but the examination consumes considerable labor and time, and may delay the grant of a patent. Indeed, as is well known, one of the greatest problems in the Japanese patent system is in this delay.

Meanwhile, under the non-substantive examination system, the procedure does not require a long time, so it has the advantage of granting the right speedily. However, many registered patents would naturally include reasons for invalidation, so the right would be less legally stable and would increase the number of court trials. As a result, the value of the patent right as a property right would be considerably reduced.

examined application.

The non-substantive examination system had been traditionally adopted by France since the French Revolution, but an increasing number of countries are shifting from the non-substantive examination system to the substantive examination system, and due to the decisive advantage of the substantive examination system, most of the world is in the midst of a trend to adopt the substantive examination system. Even France can no longer maintain a complete non-examination system, and is gradually introducing substantive examination features¹. However, since the delay of examination is the greatest defect of the substantive examination system, Japan has been introducing various methods to rectify the defect. Some of such measures are the early publication of applications, the request for examination, and introduction of computers. Because the delay has not been eliminated even after introducing these measures, the JPO has been pressed to further review the situation concerning the substantive examination system, and upon the 1993 amendment, the non-substantive examination system was adopted in principle for the utility model system. The non-substantive examination system is also adopted by the Law Concerning the Circuit Layout of Semiconductor Integrated Circuits (Law No. 43 of 1985).

Item 2 Formality Examination

¹ For details, see Yoshirou Hashimoto, *Furansu Tokkyo Seido No Kaisetsu* (Explanation of the French Patent System) (Revised Edition) (Japan Institute of Invention and Innovation, 1983).

When a patent application is filed, examination is conducted first on whether or not the filed documents satisfy the formality requirements. If the filed documents have a considerable deficiency and lack the essential requirements for an application, the receipt is refused (disposition of refusal of receipt¹). There is no provision under the Patent Law concerning the disposition of refusal of receipt, but it is unreasonable to accept a request that includes a notable defect, and later give an order to amend, so the disposition of refusal of receipt is recognized as an established practice².

A formality examination is conducted for all received applications, and if an application has a deficiency in formality, the person proceeding before the JPO can voluntarily make amendment (Section 17 (1) of the Patent Law), or the JPO Commissioner can give an order to amend³ (Section 17 (3) of the Patent Law). When amendment is made, its effect retroacts to the filing date, and the application is deemed to have had no defect from the start. If no amendment is made in response to an order to amend, the JPO Commissioner can invalidate the filing procedure (Section 18 (1) of the Patent Law).

When the formality examination is completed, in principle all applications are

¹ The Formality Examination Manual lists the reasons for refusal of receipt under the section “Refusal of Receipt.” For instance, for refusal of receipt of a request and the attached documents, it clearly sets forth the reasons including: when it is unclear which type of application it is, when the documents do not include the name of the applicant, when the documents are not written in Japanese, and when the specification has not been attached.

² The Tokyo District Court on January 29, 1971, Court Decisions Relating to Intangible Property, Vol. 3, No. 1: p. 11 (the Toilet Paper case) ([Annotation] Mitsukuni Doihara, *Tokkyo Hanrei Hyakusen* (100 Selected Patent-related Court Decisions) (Second edition), Case 34, Nobuhiro Nakayama, Jurist, No. 601: p. 141). This is a case where a disposition of refusal of receipt was given, two years and four months after the filing for a utility model application that was filed without attaching necessary drawings. In conclusion, the disposition was repealed, as the application did not lack the essential requirements for specifying the content of the device even if it lacked the drawings. The court stated that the disposition of refusal of receipt is not something that must be concretely stipulated as a provision, but it is justifiably expected under law that a disposition of refusal of receipt could be given when the application does not fulfill the essential requirements and the defect cannot be remedied by amendment. For details on the disposition of refusal of receipt, see Ryuichi Murabayashi, “*Tokkyo Chou Choukan No Fujuri Shobun Ni Tsuite* (Disposition of Refusal of Receipt by the JPO Commissioner),” the book commemorating the sixtieth birthday of Professor Ishiguro and Professor Umase: p. 265; Hideo Nakamura, “*Fujuri Shobun -- Unyou Jou No Shomondai Ni tsuite* (Disposition of Refusal of Receipt -- Various Problems in Practice),” Patent, Vol. 20, No. 2: p. 36; Hideo Nakamura, “*Zoku Fujuri Shobun -- Fujuri Shobun No Genkai Wo Akiraka Ni Surutame No Jouken* (Disposition of Refusal of Receipt II -- Conditions for Clarifying the Limitations of the Disposition of Refusal of Receipt),” Patent, Vol. 26, No. 3: p. 43; Hideo Nakamura, “*Fujuri Shobun, Jitsumu Jou No Mondaiten/Gaiyou* (Outline of the Problems in Practice concerning the Disposition of Refusal of Receipt),” *Tokkyo To Kigyō* (Patent and Enterprise), No. 47: p. 8.

³ Regarding amendment, see Subsection 3 “Amendment.”

laid open to the public, eighteen months after the filing date⁴ (Section 64 (1) of the Patent Law).

Item 3 System of Request for Examination

In the past, substantive examinations had been conducted for all applications that underwent a formality examination, but the system of request for examination was adopted in the Patent Law amended in 1970, and substantive examination came to be conducted only after the request for it has been made (Section 48*bis* of the Patent Law). The applicant does not always desire to have all of the filed applications registered. If an application was filed for defensive purposes to obstruct registration by other parties, it is sufficient to secure the status of a senior application, and an application may no longer need to be registered due to a change in technology or due to the relationship with competitors. If examination does not have to be conducted for such applications that do not require registration, the number of applications to be examined would decrease, which could speed up the examination of other applications and raise the level of examination quality in general.

If no request for examination is made within seven years from the filing, the application is deemed to have been withdrawn (Section 48*ter* (4) of the Patent Law).

⁴ As an exception, the specification, the drawings, and the abstract of applications that contravene public order and morality are not laid open, but only information about the name and address of the applicant and the application number is published in the Patent Gazette (Section 64 (2) of the Patent Law). Also, as mentioned earlier, patent applications under the US-JP agreement and patent applications indirectly subject to the US-JP agreement are not laid open to the public or examined until the secrecy is cancelled pursuant to the Japan-US agreement (1988) on the detailed procedural regulations for implementation of the "agreement between the Japanese government and the United States government which facilitates the exchange of technical knowledge and patent rights for the purpose of defense" (1956), though there is no ground for it in the provisions of the Japanese Patent Law. This is not an introduction of a secret patent system, but merely a measure of not laying open or examining the application.

Request for examination can be made by any person within seven years from the filing (Section 48*ter* (1) of the Patent Law). However, the fee for the examination must be paid¹ (Section 195 (2) of the Patent Law; attached table). A person other than the applicant can also make a request for examination. This is because third parties also have the desire to promptly escape from an unstable situation where it is not clear whether the application will be registered. Once made request for examination cannot be withdrawn (Section 48*ter* (3) of the Patent Law).

Applications are examined in the order the requests for examination have been made. However, the preferential examination system exists as an exception. Under this system, when the JPO Commissioner recognizes that a person other than the applicant is commercially working the invention after the laying open of the application, he/she may, if necessary, direct the examiner to examine the application in preference to other patent applications (Section 48*sexies* of the Patent Law). On that occasion, the applicant or the third party working the invention can submit an explanation of circumstances describing the situation of working the invention, etc. to the JPO Commissioner (Section 31*ter* of the Regulations under the Patent Law). This system was stipulated because, after the laying open of the application and before the registration, the applicant only has the right to demand compensation for the working of the invention by the third party, so the examination procedure needs to be advanced promptly, and the third party also needs to know whether or not the application will be registered at an early stage.

Item 4 Examination Procedure and Registration

1. Examiners

¹ Patent Law, Attached Table, 6. The fee is ¥84,300 per case plus ¥2,700 per claim (Amended in 1994). However, there is a measure to reduce or exempt the fee for a person who cannot afford to pay it (Section 195*bis* of the Patent Law).

A patent examination is conducted by an examiner. A patent application is first filed with the JPO Commissioner (Section 36 (1) of the Patent Law), and the Commissioner must have the patent application examined by an examiner (Section 47 (1) of the Patent Law). The examiner conducts the examination independently. The qualifications of an examiner are stipulated by a cabinet order¹ (Section 47 (2) of the Patent Law).

An examiner must avoid interventions by others and implement his/her duties independently although not as strictly as a court judge. To that end, the qualifications of an examiner are stipulated by a cabinet order and there is a provision on exclusion of examiners with regard to the patent granting procedure (Section 48 of the Patent Law).

There are various theories concerning the independence of examiners, but it should be understood that they serve as an administrative authority that gives administrative dispositions independently from the JPO Commissioner with regard to examinations².

¹ The qualifications of an examiner are stipulated by Section 12 of the Patent Law Enforcement Order.

² The Tokyo District Court decision on August 30, 1976, Court Decision Journal, No. 845: p. 46 (the Waste Textile Separating Device case). (This is a case where the plaintiff demanded repeal of a notification which stated that retroaction of the filing date cannot be recognized for a divisional application by making the JPO Commissioner the defendant. It became an issue whether or not the JPO Commissioner had standing to be a defendant. The court rejected the demand by denying the standing of the JPO Commissioner as a defendant, stating that examiners do not exercise the examination power of the JPO Commissioner on his/her behalf, but serve as an administrative authority having the power to give administrative dispositions independently from the

Commissioner.) An appeal of this decision was dismissed on the ground of denying the effect of the notification as an administrative disposition, without referring to whether or not examiners serve as an independent administrative authority (the Tokyo High Court decision on November 15, 1978, The Law Times Report, No. 383: p. 146). For similar opinions, see Katsumi Takabayashi, “*Tokkyo Chou Shinsakan - Shinsakan No Houteki Seikaku* (JPO Examiners - the Legal Nature of Examiners),” *Gakkai Nenpou* (Annual of Industrial Property Law), No. 12: p. 35; Oda/Ishikawa, *Shin Tokkyo Hou* (New Patent Law): p. 34. (However, while mentioning that examiners serve as an administrative authority, the author states that their duties do not have independence; p. 241 of the same book.) For opposing opinions, see Aoki/Aragaki, *Tokkyo Tetsuzuki Hou* (Patent Procedural Law): p. 64; Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 473 [Aoki].

2. Examination Procedure

Examination is entirely conducted through documents (the documentary examination system). The examiner does not investigate the actually-invented product or conduct an on-site investigation. However, the examiner sometimes interviews the applicant (his/her representative)¹. Examination is conducted by a single examiner.

The examiner compares the application with prior arts, and determines whether or not there are reasons for refusing the application in which the invention is claimed. An examination is made for each claim, and the notification of reasons for refusal is clearly described for each claim. If an application was determined to include reasons for refusal as a result of the examination, the examiner makes a decision to refuse the application (Section 49 of the Patent Law), but before rendering this decision, he/she must notify the reasons for refusal to the applicant, designating a reasonable period² to give the applicant an opportunity to submit a written amendment³ (Section 50 of the Patent Law). The applicant can either submit a written argument or make amendment (Section 17*bis* (1) of the Patent Law). If the examiner judges that the reasons for refusal still have not been remedied by such response by the applicant, he/she gives a decision of refusal. If the examiner finds no reasons for refusal, he/she gives renders the decision to grant a patent (Section 51 of the Patent Law).

3. Publication of Examined Applications

Until the Law was amended in 1994 (it entered into force on January 1, 1996 pursuant to Section 1 (2) of the Supplementary Provisions), the system of publication of examined applications and the pre-grant opposition system existed. However, they are abolished at present, and the post-grant opposition system was introduced instead. In that sense, there will soon be no point in discussing the publication of examined

¹ See “Examination Manual 20-09A”, “Interview by the Examiner,” and “Interview Guidelines” (1995).

² Normally, the period is sixty days for applicants residing in Japan, and three months for those residing abroad (it can be extended by three months by making a request therefor) (Examination Manual 46.08).

applications and the pre-grant opposition system, but since the applications that were still pending before the JPO and had not been published yet at the time of enforcement of the law are to be processed by the previous law (Section 8 of the Supplementary Provisions), some applications will still be subject to publication of examined applications for a while. Because the system of publication of examined applications is thus still important in practice despite being a system under the old Law, it is considered necessary to explain this system in an independent section. (As the provisions on the publication of examined applications are deleted in the current Law, the provisions cited in this section, “Publication of Examined Applications,” alone are those of the Law before the 1994 amendment.)

When the examiner cannot find reasons for refusal as a result of examining an application for which examination has been requested, he/she gives a decision of publication of the examined application (Section 51 of the Patent Law), and the JPO Commissioner makes publication of the examined application (Section 51 (2) of the Patent Law).

When the examined application is published, its content is disclosed in the Patent Gazette (Section 51 (3) of the Patent Law). This process has the function of letting the public know the content of the application and the progress¹ of the examination (Section 51 (5) of the Patent Law) and providing an opportunity for filing an opposition to the grant of a patent, thereby conducting the examination accurately and preventing disputes.

Any person can file an opposition to the grant of a patent with the JPO Commissioner within three months from the publication of the examined application² (Section 55 of the Patent Law). If an opposition is filed, the examiner must designate a reasonable period to give the applicant an opportunity to submit a written reply (Section 57 of the Patent Law). The applicant can either submit a written reply or make amendment (Section 64 of the Patent Law). The examiner makes a decision regarding the opposition (Section 58 (1) of the Patent Law) after the designated period, and either decides to grant a patent for the application or decides to refuse the

¹ Concurrently with the publication of the examined application, the filing documents and the attached articles (the file in which to put these is called a file wrapper, but the term “file wrapper” is also sometimes used to indicate the content of the file) are made available for public inspection at the JPO for two months from the publication (Section 51 (5) of the Patent Law) so that the public can learn the progress of the procedures concerning the application. Even after the two months, it is possible to inspect them for a fee by making a request (Section 186 of the Patent Law). These materials often have an important significance in a trial for invalidation or in a lawsuit.

² This is also referred to as the public examination system, but precisely speaking, the public does not examine, but merely provides information to the examiner.

application (Section 60 of the Patent Law). No appeal can be made of the decision on the opposition (Section 58 (4) of the Patent Law). The reason for not establishing an appeal system concerning the opposition was to prevent the delay of examination and to speed up the grant of the right by simplifying the opposition procedure. If a party is not satisfied with the decision on the opposition, he/she must dispute the matter by filing a trial for invalidation after the patent registration³. The legal nature of the opposition to the grant of a patent is subject to argument, but it should be interpreted that it is a kind of information offering to the examiner⁴.

³ While any person can file an opposition, a trial for invalidation can only be filed by an interested party according to court decisions and the prevailing theory. Thus, the opponent in the former system and the person having the right to demand a trial in the latter system are not always the same. As this issue is also involved with the problem of the scope of the persons who can demand a trial for invalidation, readers are advised to see the relevant section concerning trials for invalidation.

⁴ This is the view held by the JPO, and also the view held in court decisions by the Supreme Court. For supporting theories, see Nakayama, *Chuukai Tokkyo* (Annotated Patent Law), Vol. 1: p. 543 [Hashimoto]; Yoshifuji, *Tokkyo Hou* (Patent Law): p. 330; Hattori, *Tokkyo Hou Yousetsu* (Introduction to the Patent Law): p. 213; Nobuhiro Nakayama, Journal of the Jurisprudence Association, The University of Tokyo, Vol. 99, No. 9: p. 1455. Opposing theories attempt to recognize the right to oppose by positioning the opposition as a civil right that serves as a means for protecting one's interests by obstructing the registration (Naoto Komuro, Journal on Civil and Commercial Law, Vol. 86, No. 3: p. 443; Yasushi Aoki, *Tokkyo Kanri* (Patent Management), Vol. 28, No. 6: p. 635; Tetsuo Negishi, Patent, Vol. 31, No. 3: p. 15; Akio Noguchi, Patent, Vol. 31, No. 2: p. 10; Kouichi Konmiya/Masanori Noguchi, *Tokkyo Kanri*, Vol. 28, No. 8: p. 887).

In relation to this issue, there was a case where the point of dispute was whether or not the status of an opponent which became extinct due to a merger of the company could be succeeded to by the merged company. Specifically, a claim of succession to the procedure for an opposition to a trademark registration was made to the JPO, but the claim was refused based on the reason that such succession to another entity's status cannot be recognized. Against this disposition for refusal by the JPO, the court recognized the benefit of receiving a decision regarding the opposition, and found for the succession to the status as an opponent to trademark registration, holding that the merged company has the right to receive a decision on the opposition in the Tokyo District Court decision on August 26, 1977, Court Decisions Relating to Intangible Property, Vol. 9, No. 2: p. 576 (the Daiei case) ([Annotation] Noriaki Nagai, The Law Times Report, No. 367: p. 309). An appeal of this decision was rejected for mostly the same purpose in the Tokyo High Court decision on May 2, 1978, Court Decisions Relating to Intangible Property, Vol. 10, No. 1: p. 170. However, in its final instance, the Supreme Court annulled the original judgment and rejected the appeal concerning the part seeking cancellation of the disposition for refusal of receipt, in the Supreme Court decision on June 19, 1981, Civil Court Decisions by the Supreme Court, Vol. 35, No. 4: p. 827 ([Annotation] Nobuhiro Nakayama, Journal of the Jurisprudence Association, The University of Tokyo, Vol. 99, No. 9: p. 1455; Tatsuki Shibuya, Jurist, No. 768: p. 255; Naoto Komuro, *Tokkyo Hanrei Hyakusen* (100 Selected Patent-related Court Decisions) (Second Edition), Case 42; Keiichi Murakami, *Housou Jihou* (Bar Journal), Vol. 37, No. 11: p. 224; Hiroaki Niki, Patent, Vol. 32, No. 5: p. 7; Osamu Uchida, *Tokkyo Kanri* (Patent Management), Vol. 32, No. 9: p. 1091; Yutaka Kosake, *Tokkyo Kanri*, Vol. 32, No. 12: p. 1437). The court stated that the system of opposition to trademark registration has been established for the benefit of the public interest for eliminating errors in examinations of trademark applications and securing the accuracy of examination by allowing any person regardless of the involvement of interests to file an opposition to the registration, so, it is reasonable to consider that when an opponent company becomes extinct due to merger, the opposition will lapse accordingly, and there will be no room for the status of the opponent to be

Formerly, an invention was published for the first time upon publication of the examined application, but with the adoption of the system of laying open unexamined applications to the public upon the 1970 amendment, the timing of the first publication basically changed⁵. Accordingly, the relationship of the right being granted in return for publication of the invention became more vague.

The applicant acquires a right to provisional protection by the publication of the examined application (Section 52 (1) of the Patent Law). Provisions on patent rights are applied *mutates muandis* to the right to provisional protection (Section 52 (2) of the Patent Law), so the content of the right is almost the same as for a patent right. However, if the patent right is not established after exercising the right⁶ to provisional protection, the applicant will bear a liability without fault for damages incurred by opposing parties through exercise of the right (Section 52 (4) of the Patent Law). It is not rare for a right to provisional protection to lapse with the patent right failing to be established due to an opposition, etc.⁷, and the scope of the claim can sometimes change due to amendment. Therefore, it is an indefinite right. As the right needs to be exercised carefully due to this reason, liability without fault was imposed to restrain the exercise of the right. Meanwhile, if an infringement was claimed or there was a demand for a provisional seizure or a provisional injunction, the court can stop the judicial proceeding by motion or *ex officio*, if necessary (Section 52*bis* (1) of the Patent

succeeded to by the company surviving after the merger. (Although that was a trademark case, the same interpretation applies to patent cases.) Considering that it is a pre-grant opposition system, the Supreme Court decision seems to be the only reasonable interpretation. In other words, recognition of such succession to the status of the opponent would further delay the examination and, at the same time, there would be no meaning in giving a court decision stating that the disposition of refusal of receipt of the claim for succession to the status was illegal after the registration has been made. An opposition in the pre-grant opposition system should be considered as a kind of an information-offering system. For the system of opposition to the grants of patents in general, see Kazuhiko Takeda, “*Tokkyo Igi Moushitate Seido Ni Tsuite No Ichi Kousatsu* (Study on the System of Opposition to the Grant of a Patent),” *Tokkyo Kanri* (Patent Management), Vol. 11, No. 10: p. 581.

⁵ Since it was possible for the examination to be completed within eighteen months from the filing, the laying open of the application was not always before the publication of the examined application (See the provision in Section 65*bis* (1) of the Patent Law).

⁶ To be more precise, liability without fault arises (1) when the patent application is abandoned, withdrawn, or invalidated, (2) when an examiner’s decision or appeal/trial decision of refusal becomes final regarding the patent application, or (3) when the right is exercised for an invention that comes to be no longer included in the scope of the invention described in the claim upon patent registration due to amendment or a withdrawal of amendment (Section 52 (4) of the Patent Law). The last item (3) refers to a case where the patent right was established, but an invention that was included in the claim at the time of exercising the right to provisional protection was no longer included in the claim at the time of registration (i.e. the right was not established for that part of the application).

⁷ In fiscal 1992, the number of oppositions to the grant of utility models was 7,650, and the opposition was approved in 2,608 cases (Patent Office Gazette, Vol. 45, 1992: p. 220).

Law). A license cannot be registered for the right to provisional protection⁸. As a result, an exclusive license, which must be registered in order to take effect, cannot be established. It is possible to conclude an agreement for a non-exclusive license, but effectiveness against third parties cannot be acquired. Incidentally, an infringement of the right to provisional protection is only punished if the right becomes registered (Section 196 (2) of the Patent Law).

The right to provisional protection is deemed to have not been created from the start if the patent right fails to be established or if the patent right is invalidated (section 52 (3) of the Patent Law).

4. Examiner's Decision

The final judgment by the examiner is expressed as an examiner's decision in the form of a document including the reason for the decision (Section 52 of the Patent Law).

There are two kinds of examiner's decisions: a decision to grant a patent (Section 51 of the Patent Law) and a decision of refusal (Section 50 of the Patent Law). There is no system for making an appeal against the decision to grant a patent, so the patent is registered immediately. On the other hand, if one is not satisfied with an examiner's decision of refusal, he/she can make an appeal against the decision of refusal (Section 121 of the Patent Law). If no appeal is made within thirty days after the transmittal of a copy of the decision of refusal, the decision is finalized.

When an examiner's decision is given, the JPO Commissioner transmits a copy of the decision to the applicant (Section 52 (2) of the Patent Law). If the applicant pays the annual fee within thirty days from the date of transmittal of a copy of the decision to grant a patent, the patent is registered (Section 66 (2) of the Patent Law), whereby the registration is recorded in the patent register and published in the Patent Gazette. If no payment is made within the time limit for late payment of annual fees, the application is invalidated (Section 112 (4) of the Patent Law), but there is a measure to reduce or exempt the fee for those who cannot afford to pay the fee (Section 109 of the Patent Law).

⁸ Since there is no provision stating that a license can be registered, no register exists, and there is no method for registration.