

7 Patent Examination Practices Designed to Improve User Convenience^(*)

With the advancement of economic globalization, it is increasingly important to establish a system to grant patents promptly and properly in order to encourage Japanese companies to pursue innovative activities and improve their international competitiveness. The JPO has been promoting international work sharing (Patent Prosecution Highway, etc.) and making various efforts to grant stable, strong patents. These are some of the patent examination practices that the JPO has adopted in order to improve user convenience.

In this study, surveys were conducted on these patent examination practices with a focus on “the Quality of the JPO’s patent examination,” “the systems to support patent acquisition in foreign countries,” and “the patent examination practices to improve user convenience.” The survey results were analyzed and studied in order to grasp the ways users use various systems and the new needs users latently have and to further improve user convenience.

I Introduction

1 Background and purpose of this study

With the advancement of economic globalization, from the perspective of promoting innovative activities and increasing international competitiveness of Japanese companies, it is extremely important to establish a system to grant patents promptly and properly. So far, the JPO has promoted international work sharing (e.g., the Patent Prosecution Highway) and implemented various measures to grant stable, strong patents. These are some of the patent examination practices that the JPO has adopted in order to improve user convenience.

Under these circumstances, the Intellectual Property Strategic Program 2010 proposes a “review of the patent system in order to promote the exploitation of patents and the convenience for a wide range of users, including universities, from the perspective of creating fertile ground for innovation.” The Intellectual Property Strategic Program also requests further improvement of the patent system in order to grant patents promptly and properly.

This study has been conducted to collect basic data about the JPO’s patent examination practices specifically designed to improve user convenience. The data will help us understand the ways users use various systems and the new needs users latently have. Based on the data, we

will discuss patent examination practices that will further improve user convenience. This study focused on three points, namely, “the quality of the JPO’s patent examination,” “the systems to support patent acquisition in other countries,” and “the patent examination practices to improve user convenience.”

2 Implementation of this study

In order to obtain data about the JPO’s patent examination practices designed to improve user convenience, as well as to grasp the ways users use various systems and the new needs users latently have, a questionnaire survey and an interview survey were conducted on Japanese patent applicants and foreign patent applicants. The results of the surveys were analyzed and studied as follows.

- A national questionnaire survey was conducted by sending a questionnaire to 1,601 organizations, including companies, universities, TLOs, research institutes, etc., in Japan, of which 622 organizations responded (Response rate: 38.8%).
- Based on the results of the national questionnaire survey, 20 respondents were selected from among those who have made a comment on the quality of patent examination and have experience in using the Patent Prosecution Highway. Those 20 respondents

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were subject to a national interview survey.

- An overseas questionnaire survey was conducted by sending a questionnaire to 200 companies and other organizations in foreign countries and other organizations that were ranked high in terms of the number of patent applications filed with the JPO. Among the 200 companies, 21 responded (Response rate: 10.5%).
- From the respondents of the overseas questionnaire survey, 10 companies (two U.S. companies, five European companies, and three South Korean companies) were selected and subject to an overseas interview survey through six foreign lawyers.

II Quality of JPO's patent examination

1 Introduction

A questionnaire survey and an interview survey were conducted on the quality of the JPO's patent examination by sending questionnaires covering the following issues to Japanese as well as foreign patent applicants in order to collect data about applicants' satisfaction level, requests for improvement, and latent needs. The results of the surveys were analyzed and studied by comparing the results to those of the 2008 surveys¹.

2 General matters regarding the JPO's patent examination and PCT international search

(1) Recent patent examiners' practices (for the last year)

The surveys reveal that the recent patent examiners' practices have been highly regarded by Japanese applicants as well as foreign applicants. However, in the surveys, some applicants made requests for improvements, such as increasing the consistency among, for example, notices of reasons for refusal issued by examiners who denied involvement of an inventive step and improving examiners' way of dealing with applicants.

Since the 2008 survey, applicants have shown a high level of satisfaction with the way examiners communicate with applicants through face-to-face interviews, by telephone, etc., and the way examiners offer suggestions for amendment.

The surveys also reveal that applicants have rather strong needs for examiners' suggestions

for amendment.

(2) Recent patent examiners' practices (international search report, search opinion, international preliminary examination report) in the international phase of international applications for which the JPO conducted international search

In general, the way examiners write international search reports, search opinions seems to be viewed favorably by applicants. The quality of those reports seems to have improved since 2008.

Applicants generally trust the results of prior-art search and examiners' decisions (in the international phase). However, a relatively large number of applicants point out the differences between the international phase and the national phase in terms of the results of prior-art search and patentability test.

(3) Comparison between the JPO and foreign IP Offices in terms of patent examiners' practices

Japanese applicants consider the JPO to exceed most of foreign IP Offices in terms of examination quality. In particular, both Japanese applicants and foreign applicants highly value the "reasonableness and appropriateness of examiners' decisions." However, a relatively large number of Japanese applicants and foreign applicants point out that "the notices of reasons for refusal do not contain detailed information" and that "the requirements and judgment criteria are too strict."

(4) Key factors that determine the level of applicants' satisfaction with patent examination

For Japanese applicants, the key factors that determine their level of satisfaction with patent examination are: "accurate prior-art search," "decisions consistent across examiners," "reasonable information contained in the notices of reasons for refusal," and "a high level of technical understanding of examiners." This tendency has remained the same since the 2008 survey. These four key factors (except for the factor "decisions consistent across examiners") are also upheld by foreign applicants. Instead of the factor "decisions consistent across examiners," foreign applicants place emphasis on "examination results consistent with those given by other IP Offices."

3 Patent examination practices

Both Japanese and foreign applicants very highly evaluate the JPO's patent examination practices related to "inventions with industrial applicability" and "novelty." In general, Japanese applicants highly evaluate the JPO's patent examination practices related to "inventive step." Some respondents have pointed out problems related to the application of examination criteria to individual cases, such as "inconsistent judgments," "simplistic use of 'well-known' and 'design variation' as grounds for refusal," "combination of cited documents about different fields," and "refusal in hindsight." Some foreign applicants find the JPO's patent examination practices to be appropriate, while other foreign applicants find them inappropriate. A relatively large number of respondents consider the JPO's criteria for judging the involvement or non-involvement of an inventive step to be stricter than those adopted by other IP Offices.

Both Japanese and foreign applicants highly evaluate the way the JPO applies the "description requirements for a specification and claims." However some Japanese and foreign applicants have pointed out such problems as "inconsistent judgments" and "strict criteria (mostly for judging the fulfillment of the support requirements) and strict application of the criteria."

Both Japanese and foreign applicants highly evaluate the way the JPO requests "amendment to a specification or claims." However, some Japanese and foreign applicants have pointed out such problems as "strict prohibition of adding new matters" and "strict or unclear criteria for judging a so-called shift amendment and strict or unclear application of the criteria."

Both Japanese and foreign applicants highly evaluate the way the JPO applies the requirement of the "unity of invention." In particular, foreign applicants evaluate it very highly. However, some Japanese applicants have pointed out such problems as "strict or unclear criteria and strict or unclear application of the criteria."

4 Level of satisfaction regarding prior-art search

As far as Japanese patent documents are concerned, Japanese applicants are generally satisfied with prior-art search, while foreign applicants are very satisfied.

As far as foreign patent documents are

concerned, Japanese applicants are generally satisfied with prior-art search only to a certain extent. The level of satisfaction varies from one industrial category to another and from one applicant to another. The level of satisfaction of foreign applicants is relatively high.

As far as non-patent documents are concerned, Japanese applicants are generally satisfied with prior-art search only to a certain extent. The level of satisfaction varies from one industrial category to another and from one applicant to another. The level of satisfaction of foreign applicants is relatively high.

As described above, the level of satisfaction varies from one document to another. Japanese applicants are generally satisfied with prior-art search, while foreign applicants are very satisfied with it.

III Systems to support patent acquisition in foreign countries

1 Introduction

In many countries, the need for international work sharing for patent examination has been growing. With the advancement of economic globalization, Japan also considers it very important to promote an international work-sharing system as well as other systems to support patent acquisition in foreign countries in order to encourage Japanese companies to pursue innovative activities and improve their international competitiveness.

In this study, a questionnaire survey and an interview survey were conducted on Japanese patent applicants and foreign patent applicants in order to study the following issues, with a focus on the Patent Prosecution Highway (PPH), which functions as an international work-sharing system. The purpose of this survey is to grasp applicants' views on the systems to support patent acquisition in foreign countries by asking questions on the ways users use various systems, the improvements that applicants hope to see, and the new needs users latently have.

2 Patent Prosecution Highway (PPH)

(1) Awareness of the existence of the PPH and the use of the PPH

The national questionnaire survey conducted on 622 companies in Japan shows that 15% have used the PPH, while 72% have been aware of the existence of the PPH but have not used it. Large

companies were more likely to answer “We have used the PPH” than small and midsize companies, TLOs, and educational or public organizations (large companies: 18%, small and midsize companies: 6%, TLOs, educational or public organizations: 6%).

The national interview survey reveals that ten companies used the PPH for the purpose of early patent registration and that eight out of the ten companies would “use the PPH again if necessary.” The survey also reveals that six companies used the PPH for the purpose of reducing the number of notices of reasons for refusal and that three out of the six companies answer that they would not necessarily use the PPH again.

The overseas questionnaire survey shows that only two out of 19 companies “have used the PPH” and 16 out of 19 companies “have not used the PPH, while being aware of its existence.”

(2) Merits and demerits of the PPH

The national questionnaire survey shows that, when 81 companies with experience in using the JPO-USPTO PPH were asked about the merits of the JPO-USPTO PPH, the top answer was “fewer notices of reasons for refusal” (38%), followed by the answer “early patent registration in the U.S.” (36%).

In the national interview survey, to the question about the merits of the use of the PPH regardless of the direction (mostly from the JPO to the USPTO, from the JPO to the KIPO, or from the JPO to the EPO), the top answer was “early registration of patent.” The users of JPO-USPTO PPH and JPO-EPO PPH were more likely to answer that the “number of notices of reasons for refusal was reduced” than JPO-KIPO PPH users were.

The overseas questionnaire survey reveals that, to the question about the merits of the PPH, the two companies with experience in using the PPH with the JPO answered “early patent registration in Japan” and “fewer notices of reasons for refusal.”

The national questionnaire survey reveals that the 81 companies with experience in using the JPO-USPTO PPH answered that the demerits of the JPO-USPTO PPH were “the burden of preparing documents for PPH applications” (33%), “the burden of making preparations and checking requirements for PPH applications” (20%), and “higher application costs” (17%). In addition to these demerits, which would increase procedural and monetary burdens imposed on PPH

applicants, respondents also pointed out demerits that would prevent applicants from obtaining patents of their desired scope in some cases, such as “inflexibility in amending claims after the application is approved” (22%) and “the scope of the patent granted in the U.S. is often the same as or narrower than that of the patent granted in Japan” (19%).

In the national interview survey, to the question about the merits and demerits of the PPH, as far as the JPO-USPTO PPH and the JPO-EPO PPH are concerned, the top answer was “some applications were rejected or failed to be registered,” while such answer was less common as far as the JPO-KIPO PPH is concerned.

In the overseas questionnaire survey, the two companies with experience in filing PPH applications with the JPO answered that the demerit was “the burden of preparing documents for PPH applications.”

(3) Reasons for not using the PPH

The national questionnaire survey reveals that, when 460 respondents were asked about the reasons for their non-use of the JPO-USPTO PPH, the top answer was “none of our patent applications seek early registration in the U.S.” (70%). Other common answers referred to an increase in procedural and monetary burdens as a reason for non-use, such as “heavier procedural burdens” (40%) and “heavier monetary burdens caused by PPH applications” (35%), and “the burdens of managing PPH applications separately from regular applications” (23%). In comparison with the demerits pointed out by 81 companies with experience in using the JPO-USPTO PPH, the answers more commonly given as a reason for non-use of the PPH were “heavier monetary burdens caused by PPH applications” and “the burdens of managing PPH applications separately from regular applications,” while the answer “inflexibility in amending claims after the application is approved” was less common.

In the overseas questionnaire survey, when 16 respondents were asked about the reasons for their non-use of the PPH with the JPO, the top answer was “none of our patent applications seek early registration in Japan” (44%). In the case of foreign applicants, the top answer was “the scope of the patent granted in Japan is often the same as or narrower than that of the patent granted by Office of First Filing” (38%). This proportion is higher than the proportion of respondents who cited “the scope of the patent granted in the U.S. is often the same as or narrower than that of the

patent granted in Japan” (19%) as a reason for not using the JPO-USPTO PPH. This is the greatest difference between Japanese applicants and foreign applicants in terms of the reasons for not using the PPH.

(4) Requests for improvement of the PPH

The national questionnaire survey reveals that common requests for overall improvement of the PPH given by 546 respondents included “simplification and streamlining of the requirements for the documents for PPH applications” (49%), “use of the uniform PPH application form in all the PPH-participating countries” (27%), and “a higher likelihood of the instantaneous grant of a patent for a PPH application” (23%). In addition to these requests for reduction of the procedural and monetary burdens, another common request was “an increase in the number of PPH-participating countries” (31%).

In the national interview survey, among the 20 respondents, the most common request was “emerging countries’ participation in the PPH program” (14 respondents). The top country cited as an “emerging country” was China (12 respondents).

In the overseas questionnaire survey, among 18 respondents, common requests for improvement included “simplification and streamlining of the requirements for the documents for PPH applications” (44%), “a higher likelihood of the instantaneous grant of a patent for a PPH application” (28%), and “use of the uniform PPH application form in all the PPH-participating countries” (22%). As is the case with the national questionnaire survey, respondents tend to request improvements that will reduce procedural and monetary burdens.

(5) PPH portal site

In the interviews, respondents were asked about the usefulness of PPH-related information on various countries that are provided on the JPO’s PPH portal site. Such information includes guidelines, applications, brochures, PPH statistics, and links to websites containing PPH-related information.

In the national questionnaire survey, among a total of 546 respondents, the top answer was “PPH guidelines are useful” (49%). Regarding PPH statistics, the top answer was the “final patent grant rate is useful” (40%). Other common answers referred to the information on examination speed, such as “the average length

from the filing of a PPH application to the issuance of a notice of reasons for refusal” (29%) and “the average length from the issuance of the first notice of reasons for refusal to the final disposal” (23%); or they referred to the information that would reduce procedural and monetary burdens, such as “the rate of instantaneous patent grant” (29%) and “the average number of times a notice of reasons for refusal is issued” (21%).

The national interview survey reveals that 12 respondents were aware of the existence of the PPH portal site, while 8 respondents were not aware of it. The top answer was “the statistical information of the portal site should be increased and improved” (27 respondents (accumulative total)).

In the overseas questionnaire survey, among a total of 18 respondents, the top answer was “the PPH guidelines are useful” (11 respondents). The answer that “the information on the PPH portal site is useful” was more common among foreign applicants than among Japanese applicants. Regarding PPH statistics, as is the case with Japanese applicants, the top answer among foreign applicants was “the final patent grant rate is useful” (61%).

3 SHARE Project (JP-FIRST)

In the national questionnaire survey, most respondents commented about JP-FIRST (JP-Fast Information Release Strategy) by stating that “We are aware of JP-FIRST, but have not used it consciously” (264/622 respondents) and “We are not aware of JP-FIRST and have not used it consciously” (270/622 respondents). The survey reveals that small and midsize companies, TLOs, and educational or public organizations are relatively low in terms of the level of recognition and use of JP-FIRST.

When the respondents were asked whether they had any opinions or requests about JP-FIRST, the top answer was the low publicity of the JP-FIRST system (9 respondents).

4 General matters regarding the systems to support patent acquisition in foreign countries

In the national questionnaire survey, among a total of 622 respondents, the most common request (275 respondents) was the introduction of a joint search conducted by major patent offices (Trilateral Patent Offices in Japan, the U.S., and

Europe or five major Patent Offices in Japan, the U.S., Europe, China, and South Korea). Another common request (239 respondents) was for the introduction of a search report system, which has been adopted by the EPO. Similar requests were observed in the overseas questionnaire survey.

IV Patent examination practices to improve user convenience.

1 Introduction

In this study, a questionnaire survey and an interview survey were conducted on Japanese patent applicants and foreign patent applicants in order to ask questions about various measures taken by the JPO with a focus on the issues addressed in the following sections.

The purpose of this survey is to grasp the opinions users have, the ways users use various systems, and the new needs users latently have.

2 The length of the examination waiting period and a system to postpone the commencement of examination

(1) Relationship between the timing of filing an examination request and the ideal length of the examination waiting period

With the passage of time from the filing of a patent application, the applicant is less likely to be seeking early examination and more likely to be hoping to decide the timing of examination on a case-by-case basis.

(2) Needs for introduction of a system to postpone the commencement of examination

The surveys reveal that the situation where postponed commencement of examination was preferable was experienced mostly by applicants who had postponed the filing of an examination request. If all industries are combined, the answer “We prefer postponing the commencement of examination in some cases” was slightly less common than the answer “We rarely prefer postponing the commencement of examination.” However, answers vary from one industry to another. For example, the answer “We prefer postponing the commencement of examination in some cases” was relatively common among respondents in the food industry, the pharmaceutical industry, and the chemistry industry, while the answer “We rarely prefer

postponing the commencement of examination” was relatively common among respondents in the electric industry, the construction industry, and other industrial fields.

Regarding the negative effects of the introduction of a system to postpone the commencement of examination (a major ramification would be an increase in the burdens of monitoring third parties’ patents), a majority of both Japanese and foreign applicants found that the introduction of such a system would have negative effects. However, answers vary from one industry to another. For example, the answer “the introduction of such a system would have negative effects” was relatively common among applicants in the food industry, the pharmaceutical industry, and the chemistry industry, while this answer was less common among applicants in the construction industry, TLOs, and educational and public organizations.

Both Japanese and foreign applicants were equally divided over the pros (including the applicants who expressed their support with conditions) and cons of the introduction of a system to postpone the commencement of examination. However, answers slightly vary from one industry to another. For example, the applicants in the metal industry and other industrial fields tend to oppose the system introduction, while the TLOs and educational or public organizations tend to support it. The most commonly cited condition for the system introduction was the empowerment of a third party to terminate postponement. Other commonly cited conditions were the placement of an upper limit on the length of the postponement period and an explicit indication of postponement.

3 Accelerated Examination System and the Super Accelerated Examination System

In the national questionnaire survey, the most common request related to the Accelerated Examination System and the Super Accelerated Examination System was “the simplification and streamlining of the requirements for the documents that explain the reasons for requesting accelerated examination” (248 out of 617 respondents). The same result was obtained in the national interview survey (7 out of 20 respondents).

In the national interview survey, the common reasons given by the respondents for not using the Super Accelerated Examination System

were the strict limits imposed on the response period (4 respondents) and the absence of needs for early patent registration of such a level (4 respondents).

4 System to defer payment of an examination request fee

The national questionnaire survey reveals that about 15% of a total of 622 respondents have experience in using this system. As a reason for not using the system, more than half (55%) the respondents answered that “since we have sufficient financial resources, there is no need to use the system.” Many respondents also showed their concerns about procedural and monetary burdens generated as a result of using the system (33%). Only a small number of respondents hope to extend the effective period of this system. Among those who hope to see the effective period of the system extended, about half of them (25 out of 52 respondents) hope to see an extension of three years or less.

5 Collective Examination of Related Applications

In the national questionnaire survey, to the question about the merits of participating in collective examination of related applications, the top answer was “a reduction in procedural and monetary burdens as a result of having related applications examined collectively at the same time” (54 out of 111 respondents). To the question about the demerits, the top answer was “an increase in procedural burdens as a result of having related applications examined and rejected collectively at the same time” (61 out of 111 respondents). To the question about the reason for not participating in the system, the top answer was “We do not file so many applications to form a group of related applications” (297 out of 590 respondents).

6 Interview examination

In the national questionnaire survey, to the question about requests for improvement of an interview examination system, the top answer was “an increase in the number of interviews conducted in various regions” (30 respondents). Other common requests for improvement were related to such problems as “participation in an interview is sometimes refused” (18 respondents), “the requirements for an

interviewee are very strict” (15 respondents), and “the communication between the interviewer and interviewee is poor” (15 respondents).

7 Systems and services that should be introduced to Japan

(1) Needs for the introduction of a system to facilitate the settlement of a dispute over a decision to grant a patent

In the national questionnaire survey, about a half the respondents request the introduction of a system to facilitate the settlement of disputes over decisions to grant a patent (such as a system similar to the reexamination system of the U.S., improvement of the information provision system in Japan, etc.). The needs for introduction of such a system vary from one industry to another. Such needs were relatively strong in the metal industry, the chemistry industry, and other industrial fields, whereas such needs were weak in the construction industry and among TLOs, and educational or public organizations.

The national interview survey reveals that respondents were generally hoping to see the introduction of such a system.

(2) Needs for the introduction of foreign systems and services to Japan

The national questionnaire survey reveals that the needs for the introduction of “search report” are very strong (111 out of 183 respondents). The national interview survey reveals relatively strong needs for “the extension of the period during which a response to a notice of reasons for refusal may be made” (7 respondents) and “search report” (6 respondents). Regarding a U.S. system to conduct an interview prior to the commencement of examination, the needs for the introduction of such a system were rather weak. Among a total of 17 respondents, 7 respondents state “We support, though not strongly, the introduction of such a system,” while 10 respondents state “We consider such system unnecessary.” The overseas questionnaire survey reveals that the needs for the introduction of a system to conduct an interview prior to the commencement of examination (9 out of 21 respondents) are stronger than the needs for the introduction of “search report.”

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¹ The Research Study Project on Issue with Industrial Property Rights System FY2007 entrusted by Japan Patent Office, “Tokkyo shinsa no shutsugannin tou ni

yoru hyouka o fumaeta hinshitsu kanri shuhou ni kansuru chousa kenkyu houkokusho(Quality Management System that Takes into Consideration on the Evaluations Made by Patent Applicants and Agents)” (Institute of Intellectual Property, March 2008)
http://www.jpo.go.jp/cgi/link.cgi?url=/shiryou/toushin/c_housa/zaisanken.htm [Last access date: February 24, 2011]