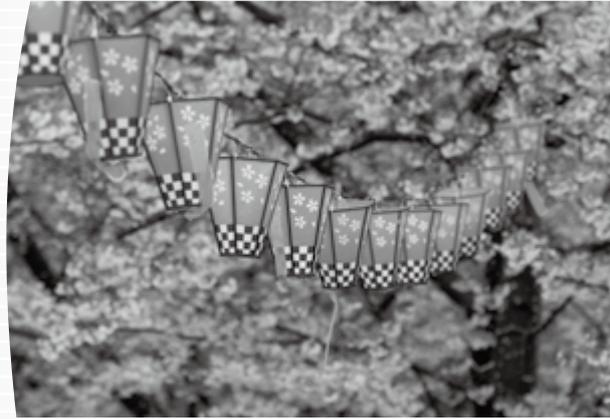


# ANNUAL REPORT 2014



ANNUAL  
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2014



# Preface

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Fiscal year 2013 was a significant year for the Japan Patent Office (JPO). The JPO achieved its long-term target of reducing the time period between the applicant's examination request and the first notices of examination results to 11 months or less. The JPO also set its new mid-term targets and directions for further improvement.

In June 2013, the “Japan Revitalization Strategy” and the “Basic Policy Concerning Intellectual Property Policy” were approved by the Japanese Cabinet, which highlighted challenges related to intellectual property (IP) policies. From September 2013 to February 2014, the Intellectual Property Policy Committee of the Industrial Structure Council was held. Based on changes in environment surrounding both Japanese companies and IP systems, the Committee discussed IP policy actions which should be further prioritized and accelerated.

As a result of the discussion, the Committee indicated three major directions for future IP policies: (1) support the global acquisition and effective use of intellectual property rights by Japanese companies, (2) enhancing support to SMEs and local regions, and (3) developing an environment that facilitates innovation, e.g. enforce the open-close strategy. Based on these policies, the Committee also summarized specific policy challenges and actions.

In March 2014, based on the Committee's summary, the JPO set its new goals; shorten “the average examination period required for granting patent rights” to 14 months or less and “the average period of the first office action pendency” to 10 months or less by the end of fiscal year 2023 (March 2024). Also, in line with the new goals, aiming to further improve the quality of examinations, the JPO decided to create a new committee consisting of external experts soon in fiscal year 2014 and have them review issues such as the current situation of and the systems for quality management of the examination procedures for patents, design, and trademarks.

Through these initiatives and all its other efforts, the JPO is committed to achieving the “fastest and highest quality IP system in the world.” As a result of this, the JPO will support the global acquisition of IP rights by users, and contribute to the enhancement of Japan's industrial competitiveness in the global market.



Also, the JPO will conduct activities such as supporting the establishment of system infrastructure, sending examiners, and enhancing training programs for IP experts for developing countries including those in Asia. Through such activities, the JPO will proactively provide information on the JPO's IP system, operational practices, and examination results to other IP offices. Based on these support frameworks, the JPO will provide information on Japan's systems and its operational practices, as well as information on its examination results to other IP offices. Also, the JPO intends to promote cooperative initiatives aimed at achieving global harmonization of the IP system.

This Annual Report provides an overview of the latest JPO policies and actions in and outside Japan.

I sincerely hope that it will be of value to gain a better understanding of the current status and measures for IP issues of Japan.

伊藤 仁

H i t o s h i I T O  
C o m m i s s i o n e r

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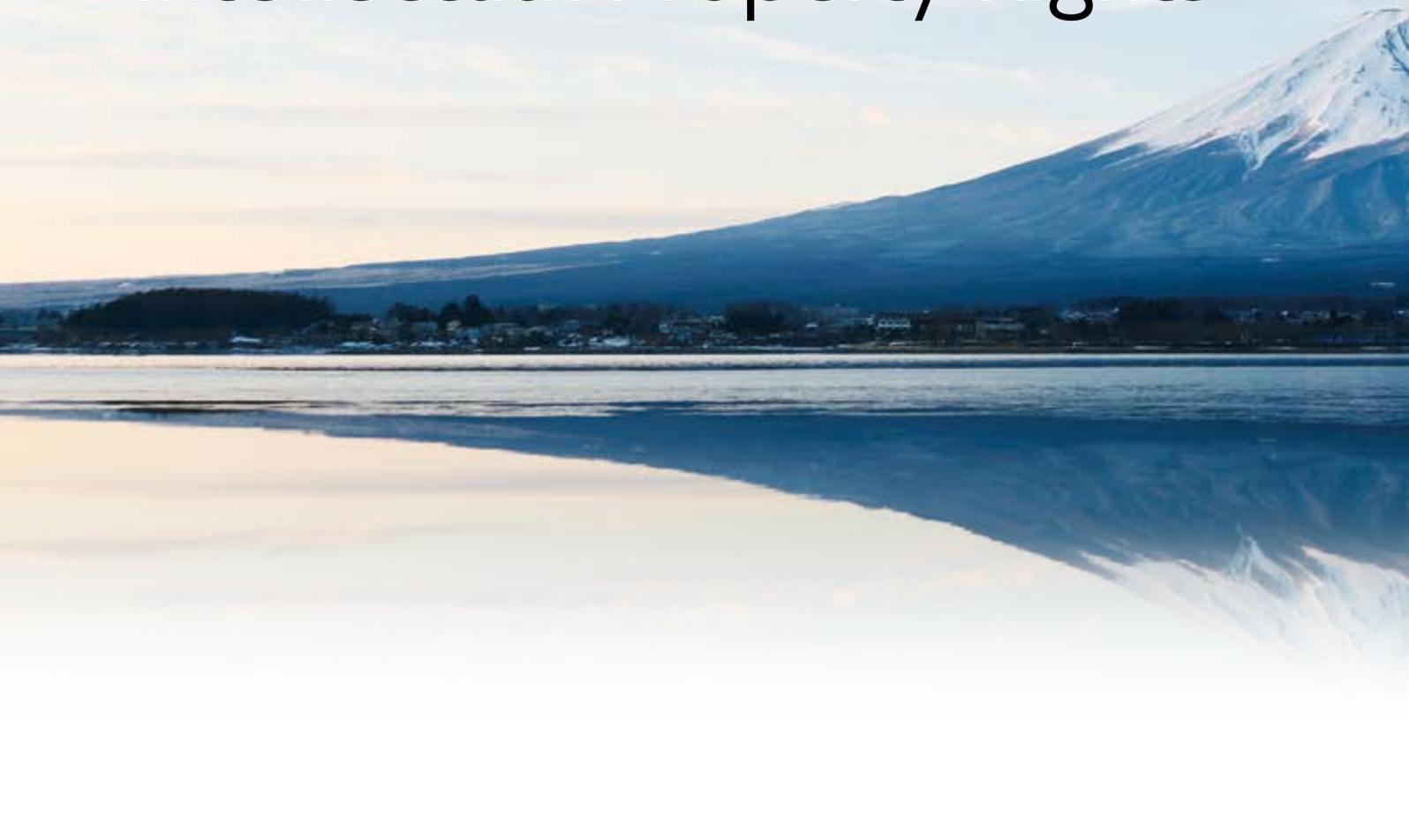
## Acronyms

AIPN	···	Advanced Industrial Property Network
APEC	···	Asia-Pacific Economic Cooperation
ARIPO	···	African Regional Intellectual Property Organization
ASEAN	···	Association of Southeast Asian Nations
CAF	···	Common Application Format
CHC	···	Common Hybrid Classification
CIPTC	···	China Intellectual Property Training Center
CTMO	···	China Trademark Office
DAS	···	Digital Access Service for Priority Documents
ECLA	···	European Classification
EPA	···	Economic Partnership Agreement
EPC	···	European Patent Convention
EPO	···	European Patent Office
EU	···	European Union
FA	···	First Action
FI	···	File Index
FTA	···	Free Trade Agreement
INPIT	···	National Center for Industrial Property Information and Training
IPC	···	International Patent Classification
IPDL	···	Industrial Property Digital Library
IPEG	···	Intellectual Property Rights Experts Group
IPR	···	Intellectual Property Rights
JPO	···	Japan Patent Office
KIPO	···	Korean Intellectual Property Office
LDC	···	Least Developed Country
METI	···	Ministry of Economy, Trade and Industry in Japan
MEXT	···	Ministry of Education, Culture, Sports, Science & Technology in Japan
NCL	···	Nice Classification
OAPI	···	Organisation Africaine de la Propriété Intellectuelle
OHIM	···	Office for Harmonization in the Internal Market
PAJ	···	Patent Abstracts of Japan
PCT	···	Patent Cooperation Treaty
PPH	···	Patent Prosecution Highway
SA	···	Second Action
SAIC	···	State Administration for Industry and Commerce of the People's Republic of China
SIPO	···	State Intellectual Property Office of the People's Republic of China
TLO	···	Technology Licensing Organization
TRIPS	···	Agreement on Trade-Related Aspects of Intellectual Property Rights
USPTO	···	United States Patent and Trademark Office
WIPO	···	World Intellectual Property Organization
WTO	···	World Trade Organization

Part 1

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# Current Status of Intellectual Property Rights





## Chapter 1

### Current Status of Applications, Registrations, Examinations, Appeals and Trials in and outside Japan

The landscape surrounding intellectual property rights (patents, utility models, designs and trademarks) is rapidly changing due to several factors such as more globalized business activities, the rapidly increasing number of applications filed in emerging countries such as China. Under these circumstances, the number of applications filed from Japan to abroad for patents, designs and trademarks is increasing year by year, and filings for intellectual property rights are also changing significantly. This chapter presents the current status of applications, registrations of intellectual property rights, examinations, appeals and trials both in and outside Japan.

#### 1. Patents

The JPO achieved a long-term goal proposed in 2004 that it would shorten an average First Action period to 11 months by the end of FY2013 (FA11). This section presents the current statistics on applications, registrations of patents, and patent examination both in and outside Japan.

##### (1) Changes in the number of Patent Applications and Requests for Examinations, and Current Status of Patent Examination in Japan

###### 1) Change in the Number of Patent Applications and PCT International Applications<sup>1</sup>

Although the annual number of patent applications filed in Japan had remained high, at more than 400,000, the number has been gradually decreasing since 2006, with the number of patent applications sharply dropping in 2009. The total number of patent applications in 2013

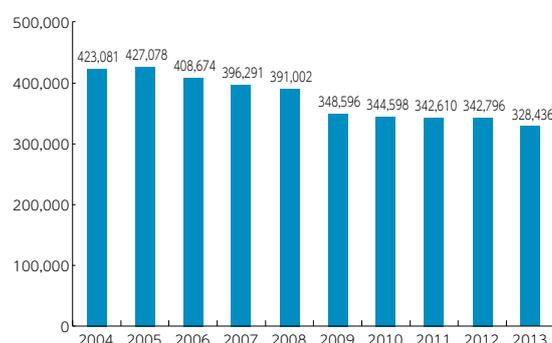
<sup>1</sup> PCT international application: An international application filed based on the Patent Cooperation Treaty (PCT). Under this system, when one request for application is submitted in accordance with the Treaty, it has the same effect as simultaneous filings with all PCT contracting parties.

was 328,436. That of the previous year was 342,796 (See Figure 1-1-1).

Meanwhile, the number of international patent applications filed under the Patent Cooperation Treaty (PCT international applications) for which the Japan Patent Office was the receiving office in 2013, was 43,075, a 0.7% increase over the previous year. This shows a continued increase year by year (See Figure 1-1-2).

Reasons for these changes may be that applicants tend to file PCT international applications more and more, and strictly select patent applications focusing on their quality not quantities because the globalization of research and development activities as well as business activities have progressed substantially, and intellectual property strategies not just for Japan but for both Japan and abroad have become more and more important for enhancing further innovation and company revenue.

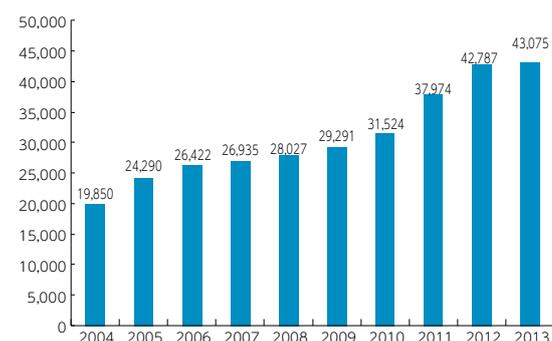
**Figure 1-1-1 Change in the number of patent applications**



Note:

The number of patent applications includes PCT applications which entered the national phase.

**Figure 1-1-2 Changes in the Number of PCT Applications**



## 2) Changes in the Number of Requests for Examination

In October 2001, the period during which applicants could request examinations was reduced to three years from seven years. As a result of this change, there was a temporary surge in the number of requests for examination (the so called “bump in requests”). However, the bump in requests ended at the end of September 2008 and the number of requests for examination in 2009 had decreased significantly. The number of requests for examination in 2013 was 240,188 (a year-on year decrease of 2.0%), nearly the same level as that in 2013 (See Figure 1-1-3).

## 3) Timely Examination

The work load involving patent examinations has increased year by year due to the following three reasons: (1) the complex and sophisticated content of applications, (2) the increase in the number of accumulated documents for prior art searches, and (3) the increase in the number of PCT international applications for which the time limit for creating international search reports<sup>1</sup> and international preliminary examination reports<sup>2</sup> is set based on the Treaty. In order to conduct prompt and accurate patent examinations under these circumstances, the JPO is strengthening its examination framework and improving the efficiency of its examination work by steadily implementing various measures,<sup>3</sup> including hiring about 500 fixed-term examiners and enhancing projects for prior art searches.

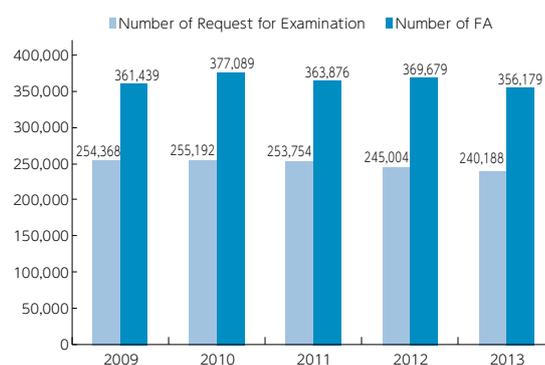
Consequently, when compared in respect of the average number of applications processed per examiner, the JPO's average number per examiner is 3.1 times larger than that of the USPTO and 4.7 times larger than that of the EPO (See Figure 1-1-4), and therefore the JPO already processes applications fairly efficiently.

As a result of these efforts, the number of

First Actions (FAs)<sup>4</sup> of national applications in 2013 remained almost at the 2012 level (356,179, decrease by 3.7% compared with the previous year), exceeding the number of requests for examination (See Figure 1-1-3).

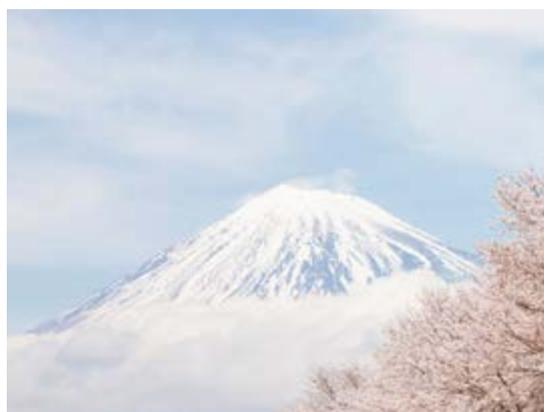
Based on the above results, average First Action Pendency is steadily being reduced, and the long-term goal of 11 months was achieved at the end of FY2013 (See Figure 1-1-5). In Japan as well the United States, Europe and other countries/regions, there is a movement that will require Offices to not only shorten first action pendency but also reduce the time it takes applicants to be granted rights. This is a great challenge. (See Figure 1-1-6).

**Figure 1-1-3 Changes in the number of requests for examination**



Note:

The number of requests for examinations made between 2009 and 2012 includes those that used the Deferral System for Examination Request Fee.<sup>5</sup>



<sup>1</sup> An international search report is prepared by an examiner of a patent office which is designated as an international search authority by a filed PCT international application. The examiner searches related prior art to prepare the report.

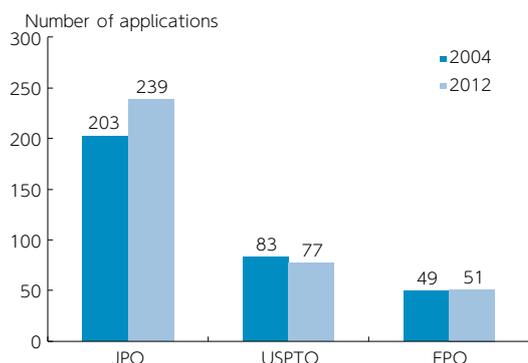
<sup>2</sup> An international preliminary examination report is prepared by an examiner to show his/her final judgment on an international preliminary examination of an application.

<sup>3</sup> See Part 2, Chapter 1, 1.(1).

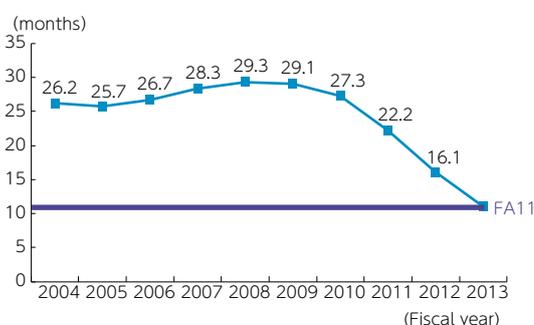
<sup>4</sup> The first examination conducted after a request for examination is filed by the applicant. FA is an abbreviation of First Action.

<sup>5</sup> This is a system that allowed applicants to postpone payment of their examination request fees up to one year from the date they requested for examination, as long as they notified the JPO to that effect. The system ended on March 31, 2012.

**Figure 1-1-4 Average number of applications processed per examiner**



**Figure 1-1-5 Trend of average first action pendency**



Note:  
The number of applications awaiting the first action is based on the figure as of the end of each fiscal year.

**Figure 1-1-6 Average “period of time for applicants to acquire rights” at each office**

JPO	29.6 months
USPTO	31.7 months
EPO	36.2 months

#### 4) Changes in Patent Examination Performance

In line with the increase in the number of PCT international applications as shown in 1) above, the number of international search reports created by the Japan Patent Office as an international search organization, increased from 40,529 in 2012 to 42,377 in 2013, up 4.6% over the previous year (See Figure 1-1-7).

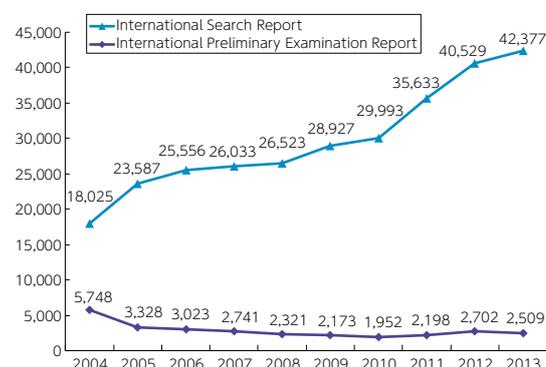
On the other hand, the number of international preliminary examination reports has been decreasing since 2004 and remains almost unchanged in recent years. This is due to

the Enhanced International Search System,<sup>1</sup> which was introduced in 2004, in which a written opinion (similar to the one that used to be prepared at the international preliminary examination phase) has to be established at the same time as the international search report.

In addition, the number of subsequent examinations<sup>2</sup> in 2013 decreased by 3% year-on-year, while the number of reconsiderations by examiners before appeal proceedings<sup>3</sup> in 2013 decreased by 3% year-on-year (See Table 1-1-8).

In addition, in line with applicants’ strict selection of patent applications, the number of decisions to grant patents increased to 260,000 in 2013, up 2% year-on-year (See Figure 1-1-9). The rate of decisions granting patents was 69.8%. On the other hand, the number of decisions of refusal decreased to 109,000 in 2013, a drop of 10% year-on-year; and the percentage of final decisions of refusal was 30.2% (See Table 1-1-10).

**Figure 1-1-7 Changes in the number of reports created for PCT applications**



<sup>1</sup> A system in which an International Searching Authority creates a written opinion as to whether the invention described in the claim is recognized to have novelty or inventive step (the invention is not obvious) and whether it is recognized to be industrially applicable at the time when the international search report is created.

<sup>2</sup> An examination conducted upon the submission of a written opinion and a written amendment from the applicant after the first action.

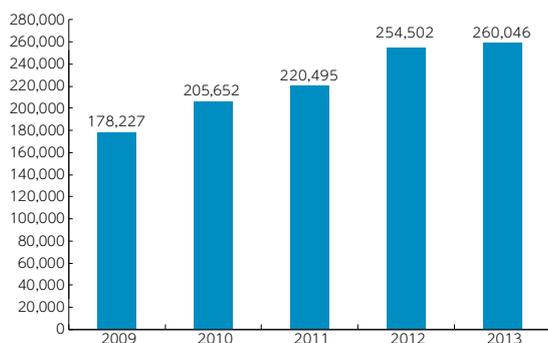
<sup>3</sup> An examination conducted by the examiner based on Article 162 of the Patent Act in the case an amendment of claims is made at the request for an appeal against an examiner’s decision of refusal.

**Table 1-1-8 Changes in patent examination performance**

Record	2009	2010	2011	2012	2013	Year-on-year
Number of First Actions	361,439	377,089	363,876	369,679	356,179	96%
Number of Subsequent Examinations	306,018	336,613	327,736	338,738	329,409	97%
Number of International Search Reports of PCT	28,927	29,993	35,633	40,529	42,377	105%
Number of International Preliminary Examination Reports of PCT	2,173	1,952	2,198	2,702	2,509	93%
Number of Reconsiderations by Examiner before Appeal Proceedings	24,131	26,707	25,739	23,851	23,168	97%
Total	722,688	772,354	755,182	775,499	753,642	97%

Notes:

1. The "year-on-year" column is a comparison between 2013 and 2012.
2. The "number of reconsiderations by examiners before appeal proceedings" is the total number of decisions to grant patents during the procedure,<sup>1</sup> reconsideration reports made to the JPO Commissioner,<sup>2</sup> and notifications of reasons for refusal made in the procedure.

**Figure 1-1-9 Changes in the number of decisions to grant a patent****(2) Trends of Patent Applications/Registration in the JPO****1) Patent Application Structure in Japan****Table 1-1-10 Changes in final decision performance**

Performance	2009	2010	2011	2012	2013	Year-on-year
Number of Decisions to Grant a Patent	178,227	205,652	220,495	254,502	260,046	102%
Number of Decisions of Refusals	171,396	164,639	138,784	120,896	108,544	90%
(Of which number of decisions of refusal without a dissenting response from the applicant)	105,004	100,951	84,419	70,297	60,356	86%
Withdrawals/Abandonments After the First Action	5,169	4,600	5,433	5,566	4,090	73%
Rate of Decisions to Grant a Patent	50.2%	54.9%	60.5%	66.8%	69.8%	-
Rate of Decisions of Refusal	49.8%	45.1%	39.5%	33.2%	30.2%	-

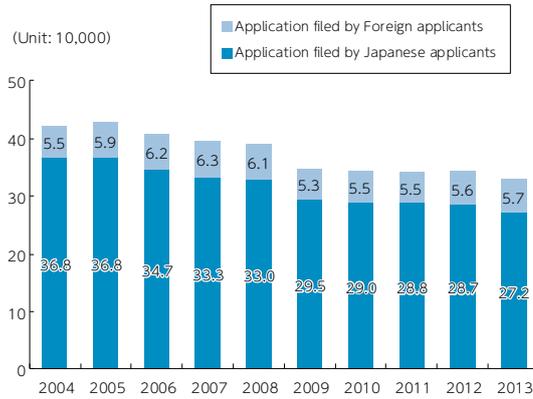
Notes:

1. "The number of decisions of refusal for cases in which applicants did not respond" is the number of decisions of refusal decided because the applicants did not respond, from the time they received their notices of reason for refusal issued by the examiners.
2. "Withdrawals/abandonments after the first action" is the number of applications withdrawn/abandoned after the first action.
3. "Rate of decisions to grant a patent" is the number of decisions in which a patent was granted divided by (1) the number of decisions to grant a patent plus (2) the number of decisions of refusals plus (3) the number of withdrawals/abandonment after the first action.
4. "Rate of decisions of refusal" is the number of decisions in which a patent was not granted (refusal) plus the number of withdrawals/abandonments after the first action, divided by (1) the number of decisions to grant a patent plus (2) the number of decisions of refusal plus (3) the number of withdrawals/abandonments after the first action.

<sup>1</sup> The number of cases in which the examiner's decision of refusal was cancelled and a decision to grant a patent was made, as a result of reconsiderations by examiners

<sup>2</sup> The number of cases in which the examiner's decision of refusal was upheld, as a result of reconsiderations by examiners

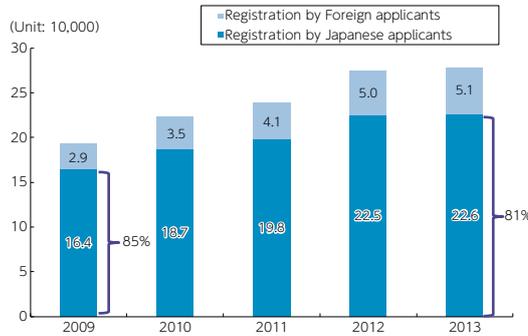
**Figure 1-1-11 Breakdown of patent applications in the JPO**



**2) Patent Registration Structure in Japan**

The number of patent registrations at the JPO was 277,000 in 2013. The number of patent registrations filed by Japanese was 226,000 (81% distribution), a 4% decrease compared to the percentage distribution in 2009 (85%) (See Figure 1-1-12). This indicates that the percentage of patent registrations filed by foreign applicants has been increasing.

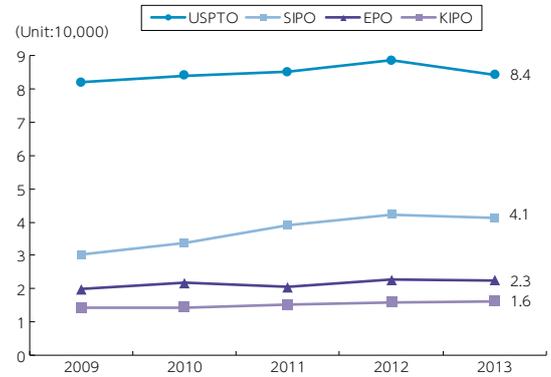
**Figure 1-1-12 Patent registration structure in the JPO**



**3) Patent Applications Filed with Major Offices by Japanese Applicants**

In 2013, the number of applications filed by Japanese applicants with major patent offices was as follows: 84,429 with the USPTO (down 4.8% over the previous year); 41,193 with the SIPO (down 2.6%); 22,555 with the EPO (down 0.5%); 16,298 with the KIPO (up 1.8%). The total number of applications filed with these offices in 2013 was lower than that in the previous year (See Figure 1-1-13).

**Figure 1-1-13 Changes in the number of patent applications filed with major offices by Japanese applicants**



	2009	2010	2011	2012	2013
USPTO	81,982	84,017	85,184	88,686	84,429
SIPO	30,302	33,882	39,231	42,278	41,193
EPO	19,863	21,767	20,538	22,659	22,555
KIPO	14,168	14,346	15,234	16,004	16,298
Total	146,315	154,012	160,187	169,627	164,475

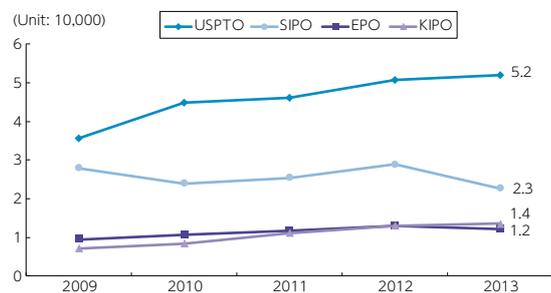
Sources:  
 USPTO: USPTO website for 2009 to 2012, and data provided by the USPTO for 2013 (provisional)  
 SIPO: SIPO website  
 EPO: EPO Annual Report 2013  
 KIPO: KIPO website for 2009 to 2012, and data provided by the KIPO for 2013 (provisional)

**4) Patent Registrations in Major Offices Held by Japanese**

The number of patent registrations in the USPTO held by Japanese in 2013 was 51,919 (up 2.5% year-on-year), that in the SIPO was 22,609 (down 21.6 % ), and that in the KIPO was 13,514 (up 4.1%). In addition, the number of Japanese applications to which the EPO decided to grant patents was 12,135 (down 5.6%) (See Figure 1-1-14).



**Figure 1-1-14 The number of patent registrations in major offices held by Japanese applicants**



	2009	2010	2011	2012	2013
USPTO	35,501	44,813	46,139	50,677	51,919
SIPO	27,897	23,890	25,387	28,847	22,609
EPO	9,439	10,580	11,649	12,855	12,135
KIPO	7,141	8,332	11,083	12,980	13,514
Total	79,978	87,615	94,258	105,359	100,177

Sources:

USPTO: USPTO website

SIPO: SIPO website

KIPO: KIPO website for 2007 to 2011, and data provided by the KIPO for 2013 (provisional)

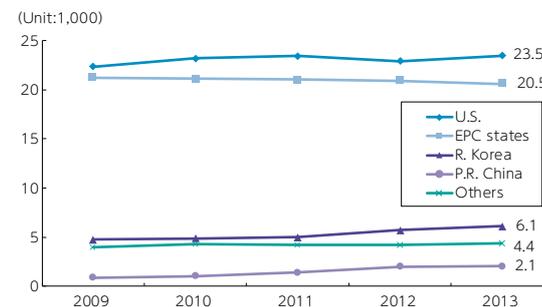
### 5) Patent Applications Filed with the JPO by Foreign Applicants

The number of patent applications filed with the JPO by foreign applicants slightly increased to 56,705 in 2013, compared with that in 2012.

In 2013, applications filed by US and European applicants accounted for 78% of the total number of applications filed by foreign applicants. The number of applications filed by Korean applicants has been slightly increasing, as in the previous year. The number accounted for 11% of the total number of applications filed by foreign applicants in 2013.

On the other hand, the number of applications filed by Chinese applicants in 2013 was 2,064, remaining almost unchanged year-on-year. This number still remains low compared to the number of applications filed by US, European and Korean applicants (See Figure 1-1-15).

**Figure 1-1-15 Changes in the number of applications filed with the JPO by foreign applicants**



	2009	2010	2011	2012	2013	Percentage to total (2013)
U.S.	22,367	23,183	23,414	22,922	23,481	41.4%
EPC states	21,251	21,122	21,023	20,899	20,604	36.3%
R. Korea	4,782	4,872	5,007	5,708	6,134	10.8%
P.R. China	891	1,063	1,401	2,022	2,064	3.6%
Others	3,990	4,277	4,185	4,232	4,422	7.8%
Total	53,281	54,517	55,030	55,783	56,705	

Notes:

1. EPC Countries stands for the number of applicants from EPC member countries at the end of each CY.
2. The figures in the table include the number of direct applications and PCT national-phase applications.

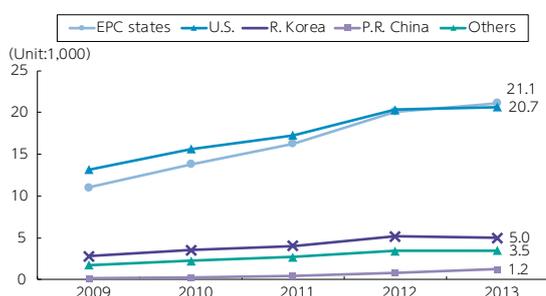
### 6) Patent Registrations in Japan Held by Foreigners

The number of patent registrations in Japan held by foreigners in 2013 increased to 51,499, up 3% over the previous year.

In 2013, registrations based on applications filed by US and European applicants accounted for 81% of the total. The number of registrations based on applications filed by Korean applicants was 4,984 and this accounted for 10% of the total.

The number of registrations based on applications filed by Chinese applicants in 2013 was 1,243, 1.5 times larger than that of the previous year. The number has been increasing. However, Chinese registrations still only account for 2% of the total number of registrations (See Figure 1-1-16).

**Figure 1-1-16 Changes in the number of registrations filed with the JPO by foreign applicants**



	2009	2010	2011	2012	2013	Percentage to total (2013)
U.S.	13,177	15,626	17,292	20,329	20,679	40.2%
EPC states	11,033	13,824	16,262	20,103	21,131	41.0%
R. Korea	2,777	3,505	4,048	5,165	4,984	9.7%
P.R. China	156	255	416	822	1,243	2.4%
Others	1,747	2,246	2,711	3,455	3,462	6.7%
Total	28,890	35,456	40,729	49,874	51,499	

Notes:

1. EPC Countries stands for the number of applicants from EPC member countries at the end of each CY.
2. The figures in the table include the number of direct applications and PCT national-phase applications.

## 2. Utility Models

This section presents changes in the number of applications for utility models and the Technical Reports of expert opinion on registrability of utility models in Japan.

### (I) Change in the Number of Applications for Utility Model Registrations and Technical Reports of Expert Opinion on Registrability of Utility Models

#### 1) Changes in the Number of Applications for Utility Models

The number of applications for utility model registrations has been decreasing since the utility model system was changed to a non-substantive examination system in 1994. Due to this situation, the utility model system was amended and the new system came into force in April 2005 in order to make the system more attractive. The following is an outline of the provisions that were amended in the utility model system: (i) extending the term of utility model rights, (ii) reducing the annual fee for utility model rights, (iii) expanding the allowable scope of corrections, and (iv) allowing the filing of a patent application based on a utility model

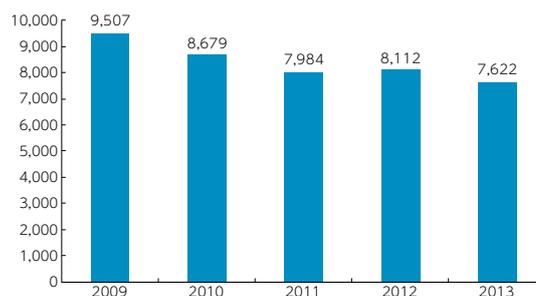
registration. The number of applications for utility models reached a peak of 11,386 in 2005, an increase of 43% from the previous year. However, the number once again has been gradually declining over the years, and it now was 7,622 in 2013.

#### 2) Technical Reports of Expert Opinion on Registrability of Utility Models

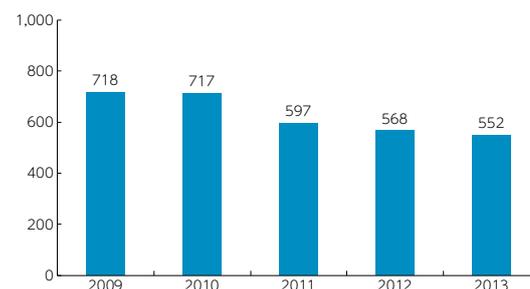
Under the new utility model system that is based on the non-substantive examination principle, the owner of a utility model right first needs to give a warning by presenting a Technical Report of Utility Models in terms of the registrability of the utility model when enforcing the right (Article 29-2 of the Utility Model Act). The Technical Report is created by a JPO examiner who evaluates the novelty and inventive step of the filed device to determine the validity of any right and notifies the person filing the request (Articles 12 and 13 of the Utility Model Act).

The number of Technical Reports of expert opinion on registrability of utility models has been decreasing. It was 552 in 2013, a year-on-year decrease of 3%.

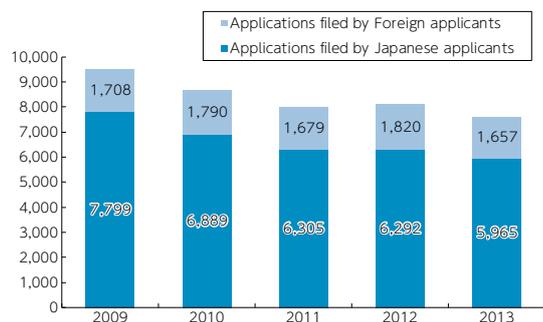
**Figure 1-1-17 Changes in the number of utility model applications**



**Figure 1-1-18 Changes in the number of technical reports of expert opinion on resistibility of utility models**



**Figure 1-1-19 Structure of utility model applications in Japan**



### 3. Designs

This section presents the changes in the number of design applications and the current status of design examination in Japan, and the trends in applications for design registration and design registrations in major countries and organizations.

#### (1) Change in the Number of Design Applications and Current Status of Design Examination in Japan

##### 1) Trends in Applications for Design Registration

The number of applications in the past ten years was on a downward trend, after peaking at 40,756 in 2004. In the past five years (2009 - 2013), it has fluctuated within a narrow range and remained almost unchanged. The reasons for the decrease in the number of applications after 2004 can be attributed to the fact that more applications are being filed with foreign offices in line with Japanese companies expanding their business operations overseas as well as the fact that the number of products newly developed has been decreasing due to mergers of companies and businesses. In addition, applicants are more selective when it comes to filing applications in Japan. The numbers of applications per Japanese Design Classification groups are almost the same as or slightly less than those in previous years in general. However, the number of applications for Transport or Conveyance Machinery (Group G) has been increasing steadily since 2011.

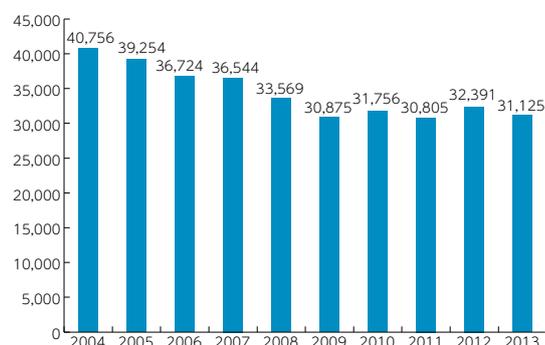
On the other hand, since a partial-design

system<sup>1</sup> was introduced in 1999, the percentage of applications to register partial designs has been increasing each year, and such applications were about 36% of all the applications in 2013. The percentage of applications to register related designs,<sup>2</sup> based on a system introduced at the same time, has remained almost unchanged at slightly less than 15% of the total number of applications (See Figure 1-1-21).

#### 2) Status of Design Examination

In 2013, the number of first actions (FAs) for design examination was 31,268, and has remained almost unchanged as that of applications for design registration. The number of decisions to grant registrations has remained at around 30,000 since 2009 (See Figure 1-1-22). The average period from the filing date to the notice of the first action (FA pendency period) in the end of FY2013 was 6.4 months, and has been decreasing steadily (See Figure 1-1-23).

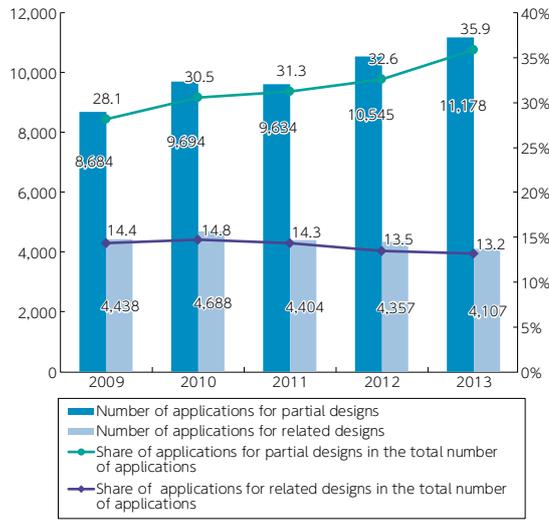
**Figure 1-1-20 Changes in the number of applications for design registration**



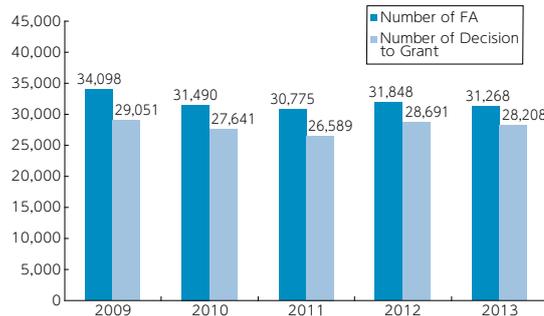
<sup>1</sup> Registering a design of a part of an article: Since the amended Design Act went into effect in 1999, it became possible to register a design, which forms a part of an article, that cannot even be physically separated from the entire article.

<sup>2</sup> The related design system enables a design which is similar to the principal design to be registered as a related design only when both design applications are filed by the same applicant. Related-design rights are enforceable independently from the principal design. This system was introduced in 1999.

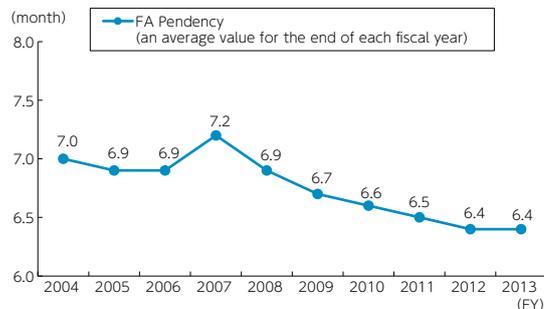
**Figure 1-1-21 Changes in the number and the rate of applications for partial designs and related designs**



**Figure 1-1-22 Changes in the number of first actions and decisions of registration**



**Figure 1-1-23 Changes in the average first action pendency for design applications (average values for respective fiscal years)**

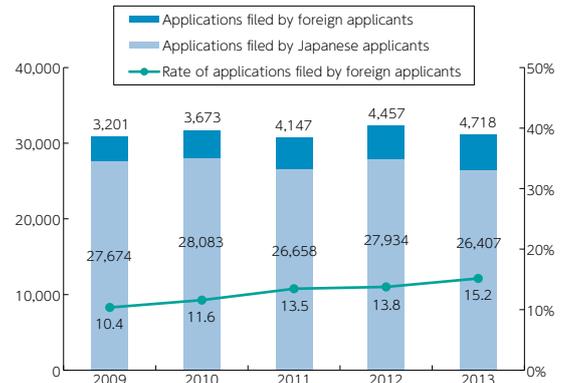


Note:  
Each is an average value for the end of each fiscal year.

**(2) Trends in Applications for Design Registration and Registration in Japan**

**1) Structure of application for design registration in Japan**

**Figure 1-1-24 Structure of application for design registration in Japan**

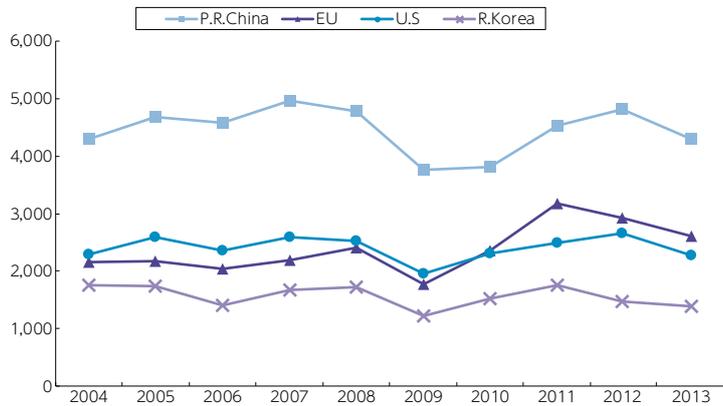


**2) Number of Applications filed by Japanese for Design Registrations with Foreign Offices**

Although the number of applications filed by Japanese with the USPTO, the OHIM, the SIPO and the KIPO dropped in 2009 when significantly affected by global business recession, it started to increase again in 2010. It has continuously increased till 2011, however, the number of applications filed with the OHIM and the KIPO dropped again in 2012. Applications to all these offices decreased in 2013 compared with those of the previous year.



**Figure 1-1-25 Change in the number of applications filed by Japanese for design registrations with foreign offices**



Note:  
 The numbers for the OHIM and the KIPO refer to the number of designs filed with the OHIM and KIPO.  
 USPTO: 2002 WIPO Statistics, 2003 - 2011 data provided by the USPTO  
 OHIM: OHIM website (The OHIM started to accept from 2003)  
 SIPO: SIPO website  
 KIPO: Data provided by KIPO (provisional)  
 Other Offices: Created by the JPO based on WIPO Statistics (World Intellectual Property Indicators 2012 Edition)

Unit: Applications

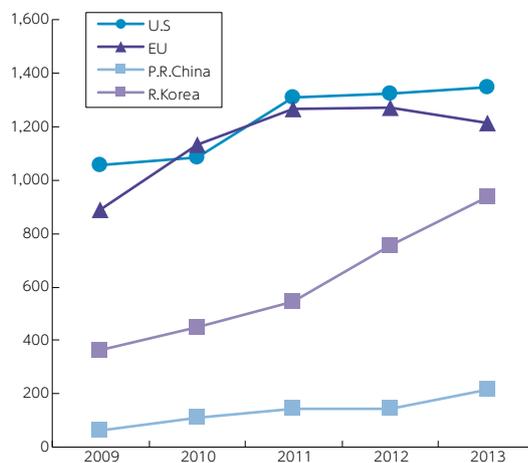
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
U.S	2,290	2,590	2,355	2,588	2,532	1,956	2,300	2,490	2,662	2,277
EU	2,152	2,168	2,041	2,192	2,414	1,781	2,356	3,182	2,931	2,601
P.R.China	4,299	4,679	4,569	4,966	4,782	3,760	3,811	4,532	4,805	4,296
R.Korea	1,757	1,732	1,404	1,671	1,728	1,222	1,528	1,757	1,470	1,391

**3) Number of Applications for Design Registrations Filed by Foreign Applicants with the JPO**

In 2013, the number of applications for design registrations filed with the JPO by European applicants decreased compared with that in 2012. On the other hand, the number of applications for design registration filed with the JPO by Korean applicants has been significantly increasing, and that by US and Chinese applicants has been slightly increasing.



**Figure 1-1-26 Changes in the number of applications filed by foreign applicants for design registrations with the JPO**



Unit: Applications

	2009	2010	2011	2012	2013	Percentage to total (2013)
U.S	1,056	1,084	1,311	1,323	1,347	28.6%
EU	888	1,135	1,265	1,269	1,213	25.7%
P.R.China	62	111	144	146	215	4.6%
R.Korea	363	449	545	753	935	19.8%
Others	832	894	882	967	1,008	21.4%
Total	3,201	3,673	4,147	4,458	4,718	100.0%

Note:  
 The figures for the EU are the total number of applications filed with the JPO by applicants from EU member states.

#### 4. Trademarks

This section shows the changes in the number of applications for trademark registrations; the current status of trademark examination in Japan; trends in applications for trademark registrations; comparison of trademark registrations in Japan, the U.S., EU, China and Korea; and trends in international applications under the Madrid Protocol.

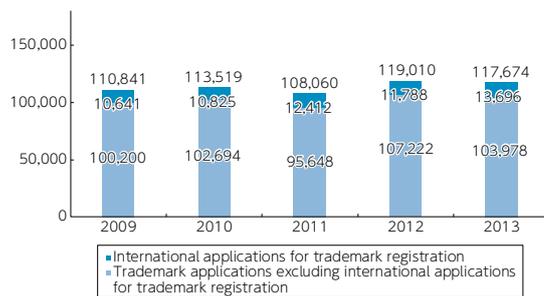
##### (I) Changes in the Number of Trademark Applications and Current Status of Trademark Examination in Japan

###### 1) Trends in Trademark Applications

The number of applications filed to register trademarks in 2013 was 117,674 and has remained almost unchanged compared with that in 2012. With regard to the breakdown of the number of applications for registration, the number of applications for international trademark registrations<sup>1</sup> in 2013 increased by 16.2% over the previous year. The number of applications for other trademark registrations decreased by 3.0% over the previous year (See Figure 1-1-27).

The average number of classes per application for trademark registrations<sup>2</sup> (multiple class rates) was 1.75 in 2013 and has remained the same as the previous year (See Figure 1-1-28).

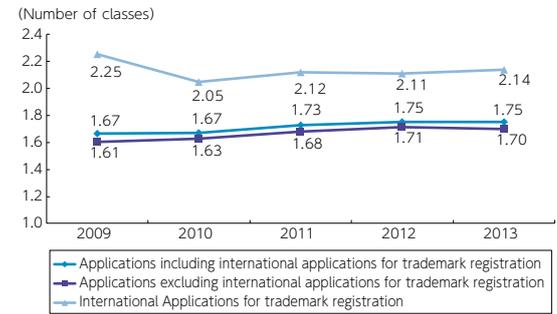
**Figure 1-1-27 Changes in the Number of Trademark Applications**



<sup>1</sup> International applications under the Madrid Protocol designating the JPO (See Article 68-9 of the trademark Act of Japan)

<sup>2</sup> When applicants file applications to register trademarks, the applications must designate one or more goods (services) to which the trademarks should be applied and describe their corresponding classes in the requests. Goods and services are classified into 45 classes.

**Figure 1-1-28 Changes in the Average Number of Classes Designated per Application**



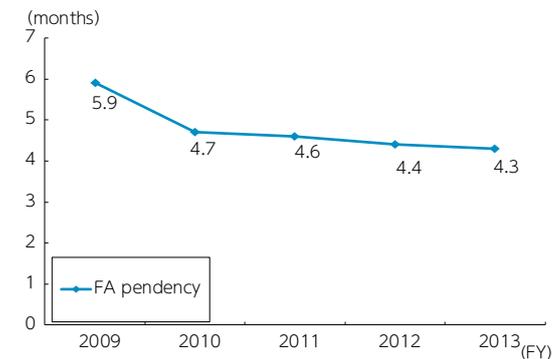
Note:

The number of classes was divided by the number of applications to obtain the average number of classes for each year.

###### 2) Status of Trademark Examination

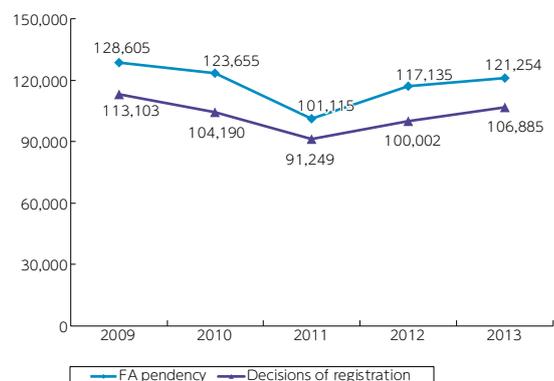
The JPO has been working to improve the efficiency of the examination process through enhancing computerization and outsourcing work to the private-sector.<sup>3</sup> As a result, in 2013, the period from the filing date to the date of issuing the first notice of examination results, i.e., the first action (FA) pendency was 4.3 months (See Figure 1-1-29). In 2013, the number of FAs has increased compared with that in 2012, and that of trademark registrations has also increased (See Figure 1-1-30).

**Figure 1-1-29 Changes in the Average FA Pendency in Trademark Examination**



<sup>3</sup> In FY2013, preliminary searches on distinctiveness of trademarks, unclear indication of goods and services, and similarity of figures, which are required for trademark examinations, were conducted by the Japan Patent Information Organization (Japio). Examiners make use of these search results in trademark examinations.

**Figure 1-1-30 Changes in the Number of FAs and the Number of Decisions to Register Trademark**



## (2) Trends in applications for trademark registrations in Japan

### 1) Breakdown of Trademark Applications for Trademark Registration in Japan

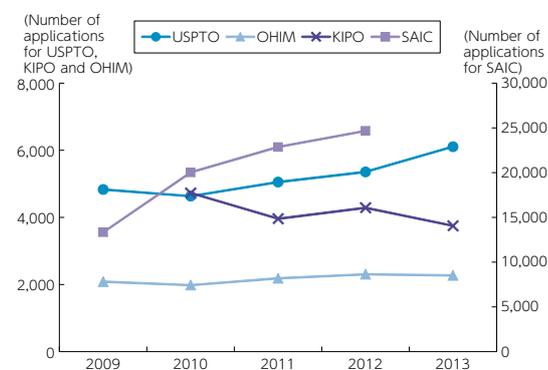
**Figure 1-1-31 Breakdown of Trademark Applications in Japan**



### 2) Number of Applications for Trademark Registrations filed with the Foreign Offices by Japanese Applicants

The number of applications for trademark registrations filed in 2013 with the USPTO by Japanese applicants increased by 14.0% year-on-year. However, that with the OHIM and that with the KIPO decreased by 1.5% and 12.6% year-on-year, respectively.

**Figure 1-1-32 Changes in the Number of Applications Filed by Japanese for Trademark Registrations with Foreign Offices**



	2009	2010	2011	2012	2013
USPTO	4,832	4,633	5,054	5,358	6,110
OHIM	2,082	1,979	2,181	2,302	2,268
SAIC	13,340	20,021	22,866	24,676	-
KIPO	-	4,727	3,961	4,288	3,748

Note:

USPTO: Since the USPTO does not publish the number of applications, the figures given here refer to the number of application classes. The figures for each year are on an annual basis counted from October in the previous year to September in the year indicated. (Example) FY2013: October, 2012 - September, 2013

SAIC: Use the vertical axis on the right side for the number of applications. Since the SAIC does not publish the number of applications, the figures given here refer to the number of application classes. The number of applications in 2013 was not publicized at the time of this annual report's publication.

KIPO: The figures do not include the number of applications for international registrations under the Madrid Protocol.

Sources:

USPTO: USPTO Annual Report

OHIM: OHIM website

SAIC: CTMO Annual Report (2009 - 2012)

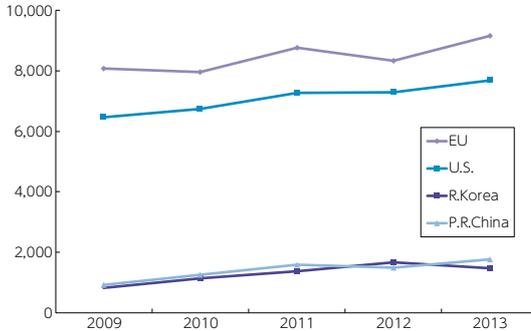
KIPO: KIPO Annual Report (2010 - 2012)

Data provided by the KIPO (2013) (provisional values)

### 3) Number of Applications Filed by Foreign Applicants for Trademark Registrations with the JPO

In 2013, the number of applications filed by foreign applicants for trademark registration with the JPO increased by 7.3% year-on-year to 25,179, in total. The number of applications filed by Chinese applicants, EU applicants and U.S. applicants increased by 17.2%, 9.9% and 5.4%, respectively, while that filed by Korean applicants decreased by 12.3%.

**Figure 1-1-33 Changes in the Number of Applications Filed by Foreign Applicants for Trademark Registrations with the JPO**



	2009	2010	2011	2012	2013	Percentage to total (2013)
U.S.	6,461 (1,767)	6,748 (1,992)	7,275 (2,320)	7,294 (2,379)	7,690 (2,719)	30.5%
EU	8,079 (6,337)	7,960 (6,005)	8,775 (6,895)	8,340 (6,442)	9,167 (7,260)	36.4%
P.R.China	918 (589)	1,259 (764)	1,584 (938)	1,498 (779)	1,755 (1,147)	7.0%
R.Korea	822 (135)	1,141 (187)	1,381 (277)	1,671 (312)	1,465 (277)	5.8%
Others	5,102 (1,802)	5,102 (1,866)	5,102 (1,980)	5,102 (1,861)	5,102 (2,284)	20.3%
Total	20,367 (10,630)	21,356 (10,814)	23,387 (12,410)	23,463 (11,773)	25,179 (13,687)	100.0%

Notes:

Figures in parentheses are the numbers of international applications for trademark registration under the Madrid Protocol out of the total.

**4) Trends in International Trademark Applications Filed for International Registrations under the Madrid Protocol<sup>1</sup>**

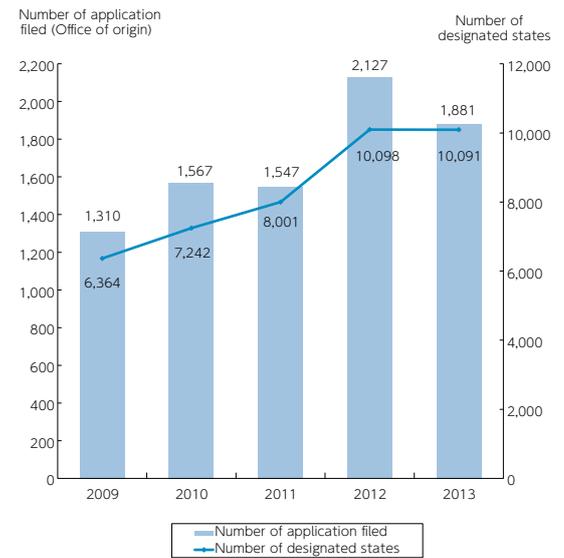
**a. Applications filed by Japanese with Foreign Offices**

The number of international applications

<sup>1</sup> Outline of the international trademark application system under the Madrid Protocol: Based on a trademark applied for or registered with an Office of one of the Contracting Parties (Office of origin), a request for designating an Office/Offices of Contracting Party (designated Office) for which protection is sought is filed for international registration with the WIPO International Bureau (IB) through the Office of origin. This application for the international registration is registered in the International Register managed by the IB. The IB sends the notification of an extension to the designated Contracting Party to the designated Office. The international registration is protected in the designated Contracting Party unless the designated Office notifies reasons for refusal within one year or 18 months by declaration (18 months in the case of Japan).

filed by Japanese in 2013 to register<sup>2</sup> trademarks with foreign Offices decreased 11.6%, and the number of designated states has remained almost unchanged compared with that in 2012.

**Figure 1-1-34 Changes in the Number of International Trademark Applications (Filed with the JPO as an office of origin for International Registrations under the Madrid Protocol)**



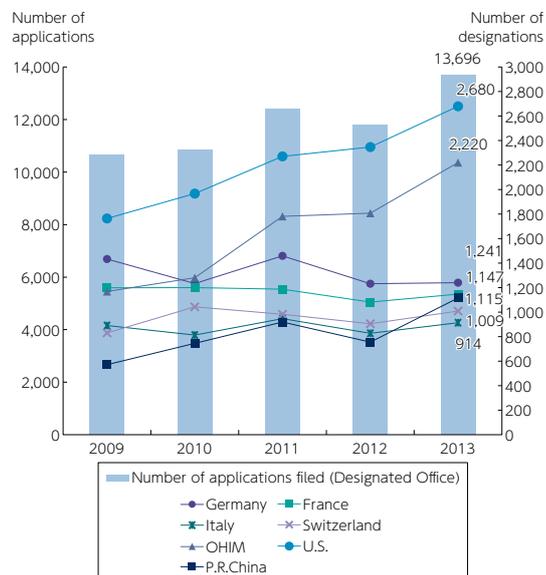
**b. International Trademark Applications Designated to Japan by Foreign Applicants under the Madrid Protocol<sup>3</sup>**

The number of international trademark applications designated to Japan by foreign applicants in 2013 under the Madrid Protocol increased 16.2% year-on-year, in total. Especially, the number of applications filed by applicants in China, the OHIM and the United States increased significantly by 47.7%, 22.9% and 14.1%, respectively.

<sup>2</sup> International applications filed with the JPO as an Office of origin (See Article 68-2 of the Trademark Act).

<sup>3</sup> International trademark applications filed with the JPO as a designated Office by foreign applicants (See Article 68-9 of the Trademark Act).

**Figure 1-1-35 Changes in the Number of International Trademark Applications Designated to Japan (Filed with the JPO from Foreign Countries under the Madrid Protocol)**



## 5. Trials and Appeals

This section describes trends in requests for trials and appeals, and those in examinations conducted by the JPO Trial and Appeal Department as well as those in lawsuits filed against the JPO Trials and Appeals Department's decisions.

### (1) Status of Trials and Appeals

#### 1) Trends in Requests for Trials and Appeals

##### a. Trends in Appeals against Examiners' Decisions of Refusal<sup>1</sup>

The number of appeals against examiners' decisions of refusal for patents was 24,644, remaining almost unchanged year-on-year.

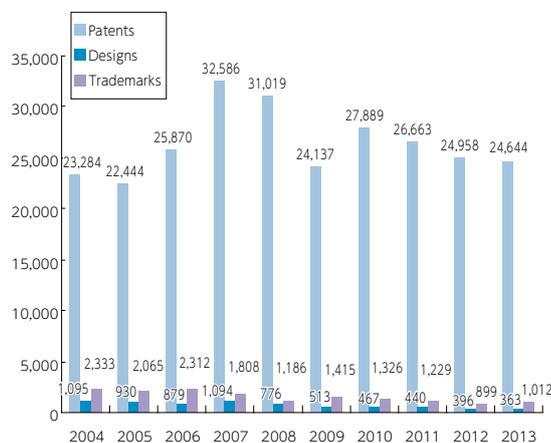
The number of appeals against examiners' decisions of refusal for trademarks was 1,012, showing a rapid increase by 12.6% year-on-year (See Figure 1-1-36).

In looking at the results in terms of reconsiderations by examiners before appeal proceedings<sup>2</sup> for patents begin, we find that the

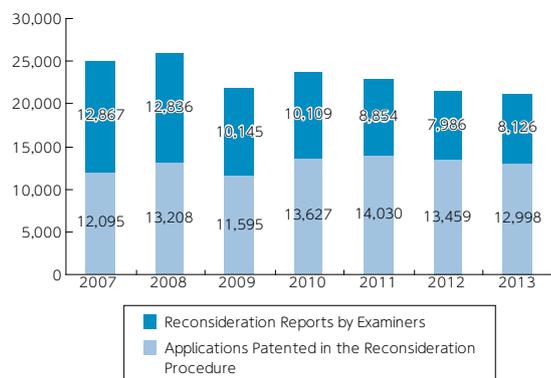
percentage of applications for which the original decisions of refusal were cancelled and changed to decisions to grant patents has been increasing.

The number of patents granted based on reconsiderations by examiners before appeal proceedings took place has exceeded the number of applications for which the original decision of refusal was not changed. In other words, the number of reconsideration reports<sup>3</sup> made to the JPO Commissioner based on reconsiderations by examiners before appeal proceedings has increased since 2008 (See Figure 1-1-37).

**Figure 1-1-36 Changes in the Number of Appeals against an Examiner's Decision of Refusal**



**Figure 1-1-37 Changes in Results of Reconsiderations by Examiners before Appeal Proceedings (Patents)**



<sup>1</sup> Trials and Appeals requested to the JPO in opposition to the decision of refusal made by a patent examiner.

<sup>2</sup> Examiners examine applications whose claims have been amended at the time of filing requests for appeals against the examiners' decisions of refusal based on the provision of

Article 162 of the Patent Act. These examinations are called "reconsiderations by examiners before appeal proceedings."

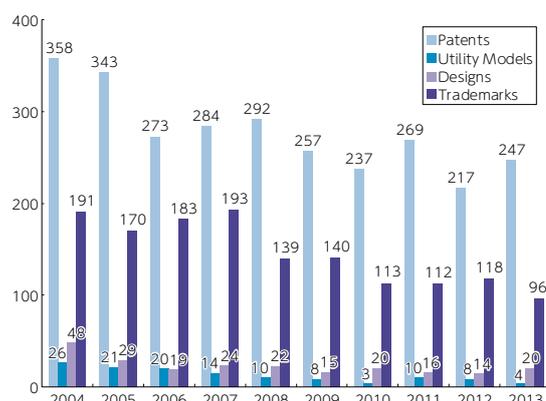
<sup>3</sup> When examiners determine that decisions of refusal are to remain unchanged, even after amendments are made based on reconsiderations by the examiners before appeal proceedings, the results are to be reported to the JPO Commissioner as "reconsideration reports." Then, a panel conducts proceedings.

**b. Trends in Trials for Invalidation<sup>1</sup>**

The number of requests for trials for patent invalidation decreased to 217 in 2012, but increased to 247 in 2013.

The number of requests for trials for invalidation for utility models has been less than or equal to 10 since 2008. The number of requests for trials for invalidation for designs has been around 20 since 2006.

**Figure 1-1-38 Changes in the Number of Requests for Trials for Invalidation**



**c. Trends in Requests for Trials for Corrections<sup>2</sup> (Patent and Utility Model (examined))**

The number of requests for trials for corrections of patents and utility models was around 150 between 2007 and 2011. However, a slight increase has been seen in the past two years: 179 in 2012 and 238 in 2013 (See Figure 1-1-39).



<sup>1</sup> Trials and Appeals requested to the JPO for the invalidation of already registered patents, utility models, designs and trademarks.

<sup>2</sup> Trials for correcting the description, claims or drawings on their own after patentees acquire the rights.

**Figure 1-1-39 Changes in the Number of Requests for Trials for Corrections<sup>\*1</sup>**



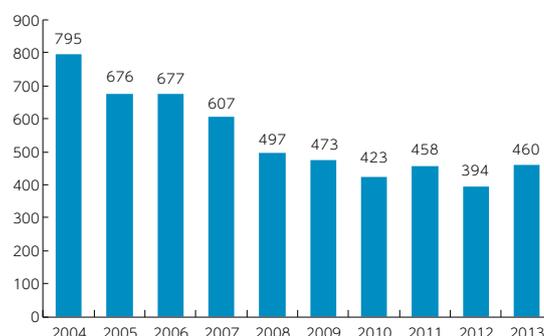
Note:

<sup>\*1</sup> Total number of patents and utility models (examined)

**d. Trends in Oppositions<sup>3</sup>**

The number of oppositions to trademark registrations decreased to 394 in 2012, but it increased to 460 in 2013 (See Figure 1-1-40).

**Figure 1-1-40 Changes in the Number of Trademark Rights Subject to Oppositions**



Note:

The system enabling persons to file oppositions to patents was abolished with the revision made to the law in 2003. That system was integrated into the invalidation trial system on January 1, 2004.

**e. Trends in Trials for rescission of trademark registrations**

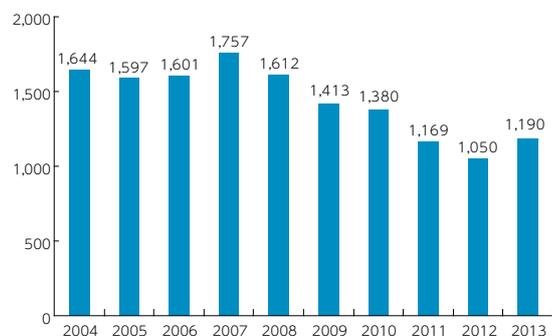
The number of requests for trials for rescission of trademark registrations<sup>4</sup> decreased

<sup>3</sup> A system which permits the cancellation of a trademark right for a certain period after it has been registered.

<sup>4</sup> Trials for rescinding trademarks when the owners of the trademark right have not used the trademarks for more than three consecutive years

to 1,050 in 2012, but it increased to 1,190 in 2013 (See Figure 1-1-41).

**Figure 1-1-41 Changes in the Number of Requests for Trademark Cancellation Trials**



## 2) Trends in Examinations Conducted by the JPO Trial and Appeal Department

### a. Patents and Utility Models

The average first action pendency for appeals against examiners' decisions of refusal in 2013 was 12.3 months (See Table 1-1-42).

Looking at the results of appeals against examiners' decisions of refusal, the percentage of decisions in which appeals were sustained (appeal success rate<sup>1</sup>) has been increasing since 2008. It was 55% in 2013 (See Table 1-1-43 and Figure 1-1-44).

Examinations involving trials for invalidation are conducted on a priority basis in order to settle disputes over rights as soon as possible, depending on the circumstances. In 2013, the average period for proceedings was 8.7 months (See Table 1-1-42). Oral proceedings<sup>2</sup> have been used more frequently in invalidation trials for patents and utility models in order to raise the quality of the trial examination process. As a result, the number of oral proceedings conducted in 2013 was 203.

Efforts were made to speed up trials for corrections on a priority basis because applicants often request to have trials in connection with infringement lawsuits. As a result, the average period for proceedings in 2013 was 2.0 months (See Table 1-1-42).

**Table 1-1-42 Current Status of Trial and Appeal Examination Processing in 2013**

	Appeals against an examiner's decision of refusal		Invalidation trials		Limitation/Correction trials		Oppositions		Cancellation trials	
	No. of first actions* <sup>1</sup>	Average first action pendency (months)* <sup>2</sup>	No. of final dispositions* <sup>3</sup>	Average trial pendency (months)* <sup>4</sup>	No. of final dispositions* <sup>3</sup>	Average trial pendency (months)* <sup>4</sup>	No. of final dispositions* <sup>3</sup>	Average trial pendency (months)* <sup>4</sup>	No. of final dispositions* <sup>3</sup>	Average trial pendency (months)* <sup>4</sup>
Patent/ Utility model	11,247	12.3	247	8.7	212	2				
Design	393	6.9	5	8.1						
Trademark	841	5.7	100	7.6			379	6	1,060	5.3

Notes:

\*1. Number of cases in which the first examination results were notified

\*2. Average period from the date of appeal until the date the notification of the first examination results was sent

\*3. Includes withdrawals and abandonments, but does not include advanced notices of trial decisions in trials for patent invalidations

\*4. Average period of time from the date on which the trial was requested up until the date of the final disposition (decision or ruling). (However, in case an advance notice of a trial decision is issued in trial for patent invalidation, the period will be up until the date on which the notice is issued)

<sup>1</sup> The appeal success rate means the percentage of cases in which the Trials and Appeals Department decided that the appeal is sustained, in relation to the total number of decisions and rulings.

<sup>2</sup> In this system, the panel conducts questioning orally so that the parties concerned are encouraged to establish their appeals appropriately and their points in issue are well organized.

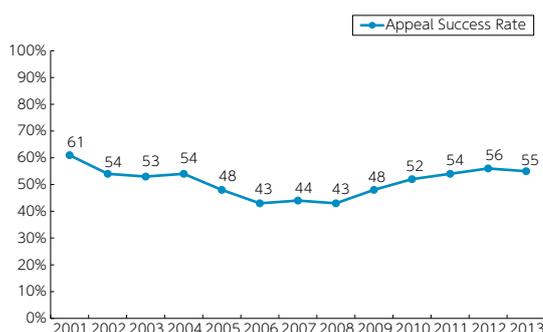
**Table 1-1-43 Trial and Appeal Results in 2013\*1**

	Ex-parte appeals*2		Inter-partes trials*3		Oppositions	
	Appeal accepted	Appeal denied*4	Appeal accepted	Appeal denied*4	Appeal accepted*5	Appeal denied*6
Patent/Utility model	6,890	5,492	48	143		
Design	252	134	0	4		
Trademark	627	245	849	175	42	296

Notes:

- \*1. Numbers are only for cases in which final trial/appeal decisions have been made
- \*2. Appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for correction
- \*3. Trials for invalidation and trials for cancellation
- \*4. Includes dismissals
- \*5. Includes partial revocations
- \*6. Includes dismissals

**Figure 1-1-44 Changes in the Appeal Success Rate in Appeals against Examiners' Decisions of Refusal (Patents)**



Note:

The appeal success rate is the number of acceptances, divided by the total number of acceptances and denials (including dismissals).

**b. Design**

As for the appeal/trial process against examiners' decisions of refusal, the average first action pendency in 2013 was 6.9 months.

With regard to trials for invalidations of design registrations, trials were conducted on a priority basis in order to settle disputes over rights as soon as possible like those of patents and utility models. In 2013, the average period for proceedings was 8.1 months (See Table 1-1-42).

**c. Trademarks**

The appeal process against examiners' decisions of refusal has become more efficient in recent years. The average first action pendency in 2013 was 5.7 months.

With regard to trials for invalidations

trademark registrations, trials were conducted on a priority basis in order to settle disputes over rights as quickly as possible. In 2013, the average period for proceedings was 7.6 months.

The average period for proceedings for oppositions in 2013 was 6.0 months and that for cancellation trials was 5.3 months (See Table 1-1-42).

**(2) Lawsuits against the JPO Trials and Appeals Department's Decisions**

**1) Trends in the Number of Lawsuits**

Looking at the number of lawsuits filed against the JPO Trials and Appeals Department's decisions<sup>1</sup> in 2013, we found that the number of ex-parte appeals decreased for patents and designs, but increased for trademarks, compared to the figures for 2012. With regard to lawsuits against ex-parte appeal decisions for patents in 2013, the number of lawsuits that the Trials and Appeals Department decided to deny appeals to was 5,492 and the number of lawsuits filed against these decisions was 147. The lawsuit-filed rate<sup>2</sup> was 2.7%, which is almost the same rate as that of the previous year (2.6%). (See Table 1-1-43 and Table 1-1-45)

The number of inter-parties trials in 2013

<sup>1</sup> A lawsuit filed to the IP High Court to reverse an appeal/trial decision made by the JPO, by a person who is dissatisfied with the appeal/trial decision.

<sup>2</sup> The percentage of appeal/trial decisions and rulings for lawsuits that have been filed in relation to the total number of appeal/trial decisions and rulings

decreased in all fields of industrial property rights, compared to that in 2012 (See Table 1-1-45).

**Table 1-1-45 Number of Actions in 2012\*<sup>1</sup>**

	Patent/Utility model	Design	Trademark
Ex-parte appeals* <sup>2</sup>	147(175)	8(16)	19(14)
Inter-partes trials* <sup>3</sup>	121(167)	0(6)	52(71)
Oppositions			1(6)

Notes:

\*1. The figures for 2011 are in parentheses.

\*2. Appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections

\*3. Trials for invalidations and trials for cancellations

## 2) Trends in the Number of Court Decisions

Looking at the number of court decisions against the JPO Trials and Appeals Department's decisions in 2013, we found that the number of dismissal of a claim decreased in patents and designs, and increased in trademarks

compared with those of the previous year in the case of ex-parte appeals. The number of inter-parties trials for patents and designs remained almost unchanged while that for trademarks increased year-on-year (See Table 1-1-46).

**Table 1-1-46 Number of Court Decisions in 2013\*<sup>1</sup> \*<sup>2</sup>**

	Patent/Utility model		Design		Trademark	
	Claim dismissed	Appeal Dept.'s decision cancelled	Claim dismissed	Appeal Dept.'s decision cancelled	Claim dismissed	Appeal Dept.'s decision cancelled
Ex-parte appeals* <sup>3</sup>	104(115)	35(37)	2(9)	0(7)	16(13)	1(7)
Inter-partes trials* <sup>4</sup>	76(74)	28(31)	1(0)	0(0)	37(33)	15(19)
Oppositions					0(6)	0(1)

Notes:

\*1. The figures for 2012 are in parentheses.

\*2. This does not include decisions to reverse appeal/trial decisions specified in Article 181, Paragraph 2 of the Patent Act and rulings to reverse appeal/trial decisions that have been confirmed as corrected during lawsuits.

\*3 Appeals against an examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections

\*4. Trials for invalidations and trials for cancellations



## Chapter 2

### Current Status of Intellectual Property Activities in Companies and Universities

Japanese users' activities concerning intellectual property vary, depending on their characteristics such as their sizes of business, their technical fields and other factors. This chapter introduces the current status of intellectual property activities of users with different sizes of business and other characteristics in Japanese companies and universities, and the trends in application filings for patents, designs and trademarks in and outside of the country.

#### 1. Intellectual Property Activities in Companies

Along with the growth of globalized business activities, the environment surrounding intellectual property activities by Japanese companies has changed to a large degree. This section introduces trends in the number of applications being filed and other intellectual property activities.

##### (1) Changes in the Number of Patent and Utility Model Applications

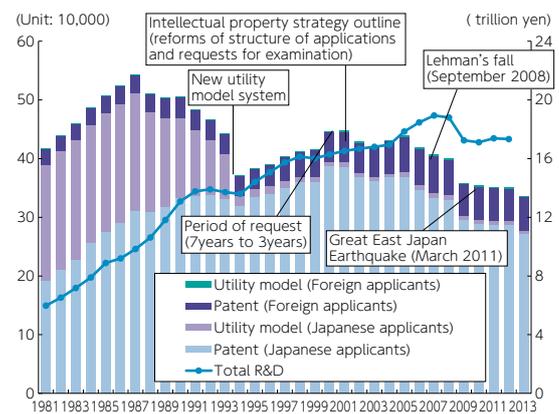
Looking at the changes in the number of patent applications being filed by Japanese companies, we can see the medium- to long-term perspective that there has been a slight increase between 1981 and 1987 in line with the increase in total R&D costs (See Figure 1-2-1). Since the revised multiple claim<sup>1</sup> system was introduced in 1998, the pace of increase has slowed down. However, the number of patent applications continued to increase slowly, and reached its peak in 2000 (387,000 applications). Subsequently, there has been a slight downward, and the number of patent applications being filed by Japanese companies was 272,000 in 2013. There was a significant decrease from 2008 to 2009. The global economic recession precipitated by the

bankruptcy of Lehman Brothers in September 2008 is considered to be a reason for this decrease.

For 27 years, from 1981 to 2007, the number of patent applications filed by foreign applicants gradually increased. After reaching a peak of 63,000 applications in 2007, it decreased to around 53,000 in 2009 due to the global economic recession precipitated by the bankruptcy of Lehman Brothers in September 2008. Thereafter the number took a slight upward turn. The number increased to about 57,000 in 2013.

Looking at the number of patent applications by scale of application ranking<sup>2</sup>, we see that about 30% of all the annual applications were filed by the top 30 companies, and more than 60% were filed by the top 300 companies (See Figure 1-2-2). The number of applications filed by the top 30 companies, whose applications accounted for about 30% of all the annual patent applications, decreased from 106,000 in 2011 to 94,000 in 2013 (See Figure 1-2-3).

**Figure 1-2-1 Changes in the number of patent applications and utility model applications filed by Japanese and foreign applicants; and the total R&D costs**

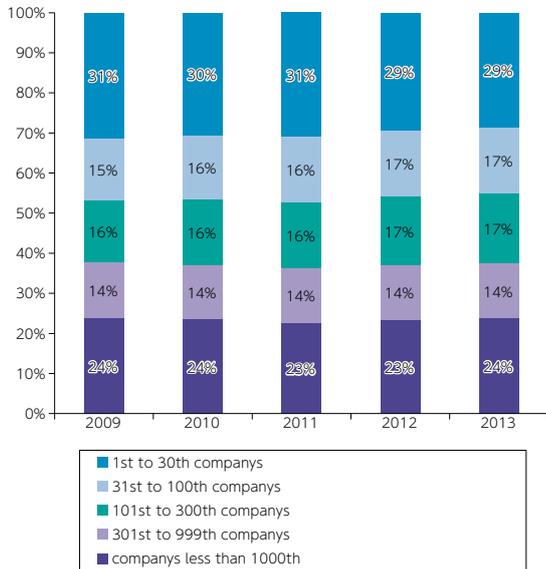


Note:  
Utility models include both former and new utility models.

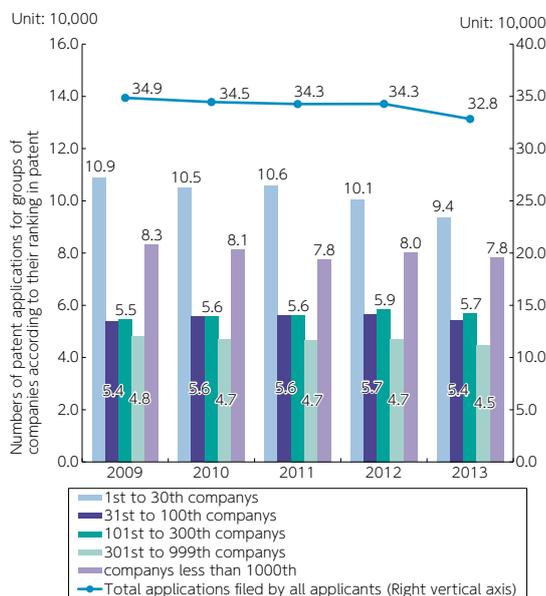
<sup>2</sup> For the trends in the number of patent applications by ranking, the number of patent applications was calculated by categorizing the top-ranking companies for applications into five classes (1st to 30th, 31st to 100th, 101st to 300th, 301st to 999th and less than 1,000th) and then the number of patent applications for each year from 2008 to 2012 was also calculated. (Companies subject to the calculation vary every year).

<sup>1</sup> A system that allows the applicant to state several claims that satisfy the unity of applications in the scope of claims

**Figure 1-2-2 Ratio of companies by scale of application ranking in the number of patent applications filed per applicant<sup>1</sup>**



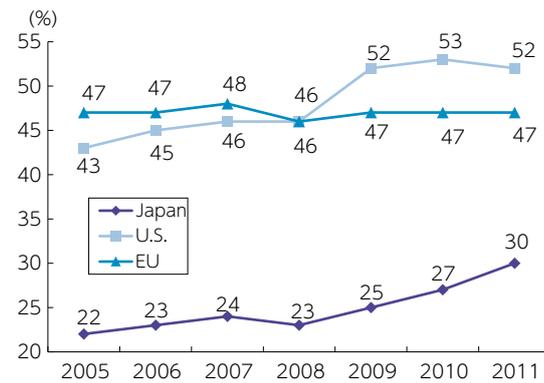
**Figure 1-2-3 Change in the number of patent applications by scale of application ranking**



<sup>1</sup> The sum of ratios in 2013 is 101% because the figures were rounded off.

The global application rate<sup>2</sup> of Japanese applicants has been increasing gradually since 2008, reaching at about 30% in 2011. However, it is still low compared with the global application rate of applicants residing in the U.S. and that of applicants residing in Europe, which are about 50% (See Figure 1-2-4).

**Figure 1-2-4 Global application rates of Japanese, American and European applicants**



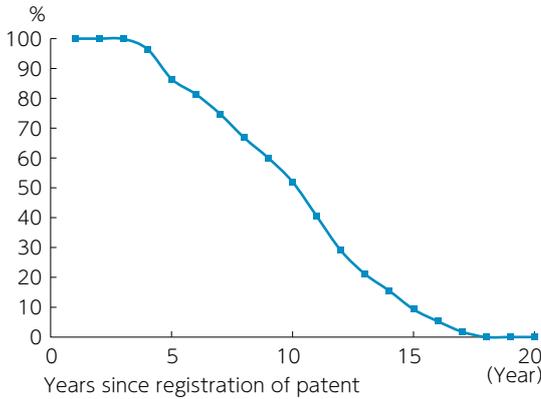
**(2) Existing Rate of Patent Rights**

The existing rate of patent rights, as based on the number of years that the patent rights had been registered in Japan, decreased to 87% within 5 years, 52% within 10 years, and 12% within 15 years since the rights were registered (See Figure 1-2-5).



<sup>2</sup> The global application rate refers to the rate of patent applications filed also with other countries out of the patent applications filed with the JPO, the EPO and the USPTO each year. The number of countries where foreign applications are filed does not affect the global application rate. The global application rate of Japan was created using the JPO data. The patent applications include international applications under the Patent Cooperation Treaty (PCT) filed directly with each Office without filing national applications. The global application rates of the US and Europe were created using data of the World Patents Index (WPI). WPI data is for disclosed patent applications and only calculates disclosed patent applications at the time of acquiring data.

**Figure 1-2-5 Existing rate of patent rights**



- The existing rate refers to the number of registrations still in effect with respect to the total number of patent right registrations.
- The data is as of the end of 2013.

The number of patents owned by Japanese applicants in Japan has been increasing year by year, and reached 1.57 million by the end of 2013 (1.6 times as large as 990,000 in 2003). The number of patents owned by foreign applicants reached 270,000 by the end of 2013 (about 2.4 times as large as 110,000 in 2003) (See Figure 1-2-6).

**Figure 1-2-6 Number of existing patent rights owned by Japanese and foreign applicants**



## 2. Intellectual Property Activities in Universities

### Efforts to Support Intellectual Property Activities in Universities

Universities in Japan that own abundant research resources<sup>1</sup> play a major role in creating intellectual property. Based on this understanding, university intellectual property headquarters<sup>2</sup> and technology licensing organizations (TLOs) have been established nationwide. In addition, several initiatives have been introduced, including sending Intellectual Property Advisors to universities and reducing/exempting annual patent fees and examination request fees.<sup>3</sup>

In line with efforts to promote academia-industry cooperation, as well as with the progress being made in open innovation in recent years, joint research at universities has been increasing. The number of joint research projects conducted at universities in FY2012 increased to 20,147 over the previous fiscal year (up about 848 cases) and the number of contract research projects increased to 21,217 over the previous fiscal year (up about 287 cases).

The number of patent applications that universities filed was less than 2,000 in 2002. This number rapidly increased to more than 7,300 in 2005 after national universities were incorporated as national university corporations in 2004. However, the number of patent applications stopped steadily increasing after peaking in 2007, and has been gradually decreasing (See Figure 1-2-9).

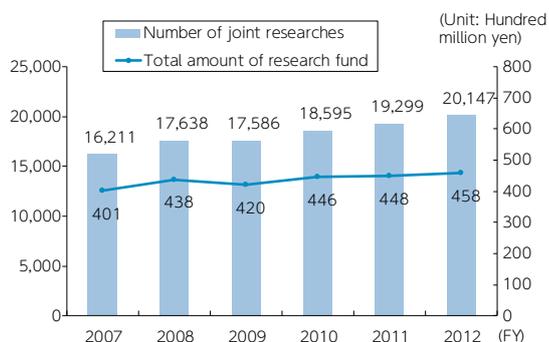


<sup>1</sup> According to the “2013 Outline of the Science and Technology Research Investigation Results” (December 18, 2013) prepared by the Ministry of Internal Affairs and Communications (MIC), about 20.6% of the entire research fund of Japan is invested in universities in FY2012.

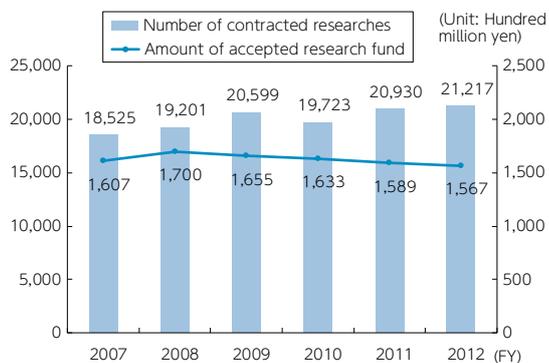
<sup>2</sup> Departments at universities that strategically create, acquire, manage and utilize intellectual property at the universities.

<sup>3</sup> See Part 2, Chapter 6, 2. (3).

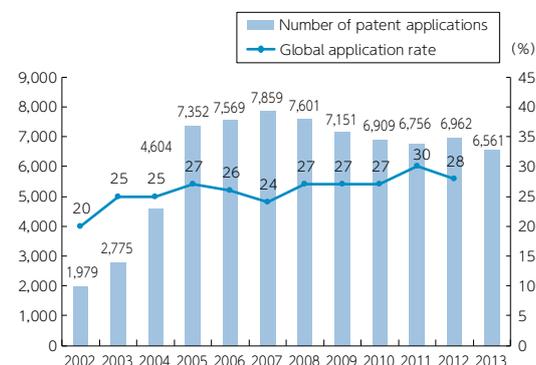
**Figure 1-2-7 Change in achievements of joint research projects at universities**



**Figure 1-2-8 Change in achievements of contract research projects at universities**



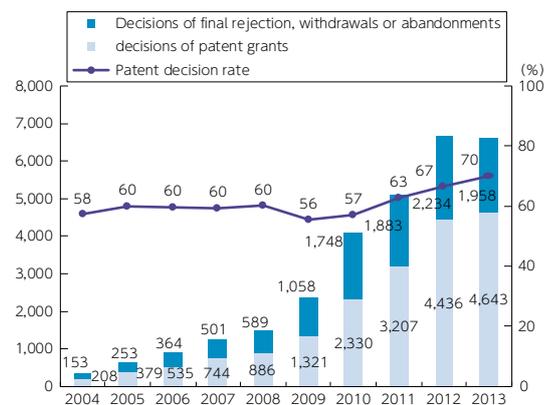
**Figure 1-2-9 Change in the number of patent applications filed by universities in Japan and the global application rate**



Note:  
Patent applications filed by universities in Japan are those that were found by searching and calculating applications and the applicants of these applications were identified as university presidents, educational corporations that own universities, and applications filed by approved TLOs. They also include applications that were filed jointly with companies.

Looking at the trend in examination of patent applications filed by universities, the rate of patented applications for applications, for which examination results were publicized in 2013, was 70% (patent allowance rate). The patent allowance rate of universities is higher than that for all applicants<sup>1</sup> (See Figure 1-2-10).

**Figure 1-2-10 Change in current status of examination results of patent applications filed by universities in Japan**

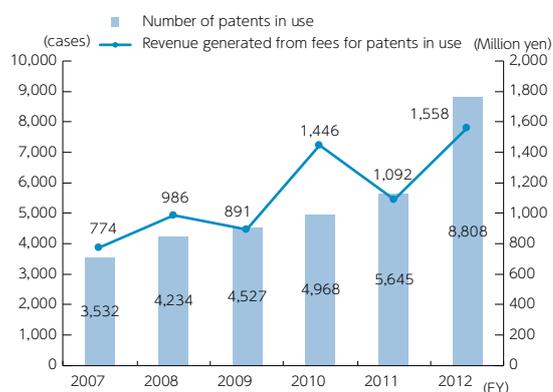


Note:  
Patent applications filed by universities in Japan are those that were found by searching and calculating applications and the applicants of those application were identified as university presidents, educational corporations that own universities, and applications filed by approved TLOs. They also include applications that were filed jointly with companies.

The number of patents in use by universities from FY2007 and after has been steadily increasing, rising by about 2.5 times in five years (FY2007 to FY2012). While the revenue generated from fees for patents in use has repeated ups and downs, it has increased about 2.0 times in the same 5-year period. The increase in revenue generated by fees for patents in use in FY2012 was about 470 million yen from the previous fiscal year (up 42.7%).

<sup>1</sup> See Part 1, Chapter 1, 1.(1)4) (Figure 1-1-10).

**Figure 1-2-11 Change in the number of patents in use at universities and their revenue**



Source:  
 Created by the JPO based on "FY2012 Status of Academia-Industry Cooperation at Universities" (December 13, 2013) prepared by the MEXT.

There is a possibility that a number of research results obtained by universities will be put into practical use after a long period of time and these results will be patented and become dominant in the future. The private sector has high expectations for this. Universities will need to cooperate even further with the private sector such as actively transferring information and conducting more flexible contract negotiations. At the same time, since expectations are high in terms of universities cooperating to create innovation in local areas, universities will have to play a role not only to provide seeds but also evaluate those seeds and develop human resources in the intellectual property field.







Part 2

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JPO's Initiatives



## Chapter 1

### Initiatives on Patents

The JPO has made various efforts to achieve its long-term objective outlined in the Intellectual Property Strategic Program 2004 formulated by the Intellectual Property Strategy Headquarters in 2004, which is to reduce first action (FA) pendency<sup>1</sup> to 11 months by FY2013. The landscape surrounding the JPO has greatly changed since that time and accordingly, users' needs in terms of patent examinations have changed. In particular, issues that the JPO needs to deal with now and in the future have arisen, such as the increase in international applications associated with globalized business activities, the diminishing percentage of Japanese-language patent documentation in spite of the increase in emerging-country applications, and continuing active discussions about formulating a common patent classification based mainly on the Japanese classification system (FI) and the European cooperative patent classification (ECLA). The needs of users for expediting patent examination and ensuring stable rights worldwide have been growing greater by year.

This Chapter introduces various initiatives that Japan is undertaking to expedite patent examination in order to achieve its long-term target of reducing FA pendency to 11 months by the end of FY2013, meaning the period of time starting from the filing date to the date when the first notice of examination results is issued, i.e., the First Action. It is also working to ensure that applicants can acquire stable patent rights, advance international work sharing to deal with overlapping applications associated with globalization, and make specific efforts to achieve future patent strategies.

<sup>1</sup> The period from the time a request for examination is made, up to when the first notice of examination results is sent. FA is an abbreviation of First Action.

### 1. Efforts to Speed-up Patent Examination

In October 2001, the period of time to request for examination was shortened from seven years to three years. As a result, the number of requests for examination increased temporarily to a large extent, but this prolonged the FA pendency. Amid increasing concern about the prolonged FA pendency, the Intellectual Property Strategic Program 2004, formulated by the Intellectual Property Strategy Headquarters in 2004, set a long term goal of reducing FA pendency to 11 months by FY2013. The JPO has undertaken various efforts such as increasing prior art searches and hiring 500 fixed-term examiners, all under the aim of speeding up examinations. As a result, the long term goal of reducing FA pendency to 11 months was achieved at the end of FY2013. On the other hand, the JPO has offered "accelerated examination" and "super accelerated examination" in order to meet the needs of applicants who need to acquire their rights early. These needs include early utilization of their R&D achievements and strategies for registering their rights based on a global perspective. This section introduces initiatives designed to expedite examination and meet applicant needs for registering their rights early.

#### (1) Method to Expedite Patent Examination

##### 1) Increasing and Enhancing Prior Art Search Project

The number of prior art searches outsourced in FY2013 decreased by 2.5% year-on-year, to 233,000. Dialogue-based<sup>2</sup> outsourcing, that is much more efficient than paper-based<sup>3</sup> outsourcing, accounted for 94% (220,000) of the total. (The figures in FY2012 were 92% and 219,000 searches, respectively.) This shows an increase in dialogue-based outsourcing to the

<sup>2</sup> In "dialogue-based" outsourcing, patent examiners receive not only written reports on the prior art search results from the searchers but also oral reports by the searchers based on the written reports. This is done in order to raise the understanding of the examiners on the details of the inventions and prior art documents.

<sup>3</sup> In "paper-based" outsourcing, the results of prior art document searches are reported to patent examiners through written or "paper-based" search reports.

private sector. Although the number of outsourced prior art searches decreased, the number of dialogue-based outsourcing is increasing, and it is expected that examination efficiency will further improve through the JPO making use of dialogue-based outsourcing.

In recent years, it has been pointed out that both the ratio and importance of foreign patent documents are increasing. In order to address these circumstances, the JPO commenced a project to search foreign patent documents, making 6,000 searches on a trial basis in FY2013. This expanded the range of outsourced searches to include not only Japanese patent documents but also foreign patent documents.

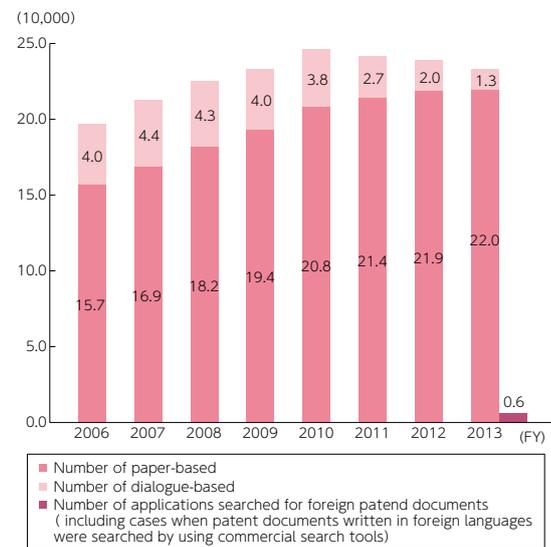
The number of registered search organizations conducting prior art searches is 10, as of April 1, 2014.

In FY2013, seven registered search organizations started operations in 11 technical fields.<sup>1</sup> In addition, with the aim of expanding the range of technical fields that can be outsourced, four search organizations were registered in 21 technical fields. As a result, registered organizations are able to handle wider technical fields. Therefore, these organizations are expected to be able to flexibly respond to the latest trends in application filings.



<sup>1</sup> In order to search specific fields of 39 technical fields in total, search organizations need to be registered in the fields that they are capable of contacting searches for, and need a contract of the prior art search project with JPO.

**Figure 2-1-1 Changes in the number of prior art searches outsourced to registered search organizations**



Note:

The number of applications searched for foreign patent documents is included in the number of dialogue-based outsourcing.

## 2) Ensuring the Necessary Number of Examiners

The JPO, before offices in other countries, introduced a paperless system for handling patent procedures. This system starts from the filing of an application up to the decision making by examiners. In addition, as mentioned above in 1), the JPO has actively enhanced preliminary searches of prior art made by registered search organizations. While the JPO is working to raise the efficiency of the examination process, it still will need to increase the number of patent examiners so as to greatly enhance its examination capability in terms of examination. The JPO has significantly increased the number of its examiners by hiring around 490 fixed-term examiners each year between FY2004 to FY2008. Moreover, since FY2009, the fixed-term examiners who completed their five-year terms have been re-hired to maintain the JPO's examination capabilities.

With regard to the increase in examiners, the JPO hired 100 additional fixed-term examiners in line with its FY2014 budget, in order to grant stable rights in response to users' needs. The JPO needs to maintain and enhance its examination capabilities in FY2014 and onwards by ensuring the necessary number of examiners.

**Figure 2-1-2 Change in the number of patent examiners**

FY	2009	2010	2011	2012	2013	2014
Regular examiners	1,202(+12)	1,213(+11)	1,221(+8)	1,223(+2)	1,211(-12)	1,210(-1)
Fixed-term examiners	490	490	490	490	490	492
Total	1,692(+12)	1,703(+11)	1,711(+8)	1,713(+2)	1,701(-12)	1,702(+1)

Note:

The numbers in the brackets indicate the increase/decrease from the previous year

## (2) Accelerated Examination System/Super Accelerated Examination System

### 1) Accelerated Examination System

The JPO has implemented an accelerated examination system that makes it possible for examinations to be conducted earlier, based on certain requirements outlined below.

This system is eligible for: (a) applications claiming inventions that have already been put into practice or are planned to be put into practice within two years (working-applications), (b) applications which have foreign patent families (internationally filed applications), (c) applications filed by SMEs and venture businesses, or (d) applications filed by universities/TLOs and public research institutions that are expected to put their results to work for the benefit of society. The system also is eligible for applications involving environmental technologies (green-related applications). These types of applications became eligible for accelerated examination under a pilot program. In addition, applications filed by companies and persons affected by the Great East Japan Earthquake (earthquake disaster recovery applications) have been added to the types of applications eligible for accelerated examination since August 2011. This was done to support recovery from the disaster so that technologies necessary for business activities could be protected and utilized in an expeditious manner. In addition, applications for inventions relating to results of R&D projects that have been approved based on the Act on Special Measures Concerning the Promotion of R&D Projects by Specific Multinational Companies (the Act on the Promotion of Asian Site Locations in Japan) have become eligible. This was implemented from November 2012 on a pilot program in order to encourage global companies to establish R&D centers in Japan.

The number of applications filed using

this system has been increasing year by year.

The number was 15,187 in 2013. In 2013, the average FA pendency for applications under the accelerated examination system was about two months much shorter than the average for ordinary applications.

### 2) Super Accelerated Examination System

The JPO introduced the Super Accelerated Examination System on a pilot basis. Under this system, applications are examined more quickly than under the conventional accelerated system. This system targets more important applications that must be both “working applications” and 2) “internationally filed applications” .

The basic outline of the super accelerated examination system calls for the first action to be finished within one month from the time the applicants file petitions for super accelerated examination. (The length of time for DO applications is basically within two months.<sup>1</sup>). In addition, subsequent examination<sup>2</sup> also is to be finished within one month from the time the written opinion/amendment has been submitted. This system, compared with the conventional accelerated examination system, reduces the length of time that applicants have to wait to receive final decisions.

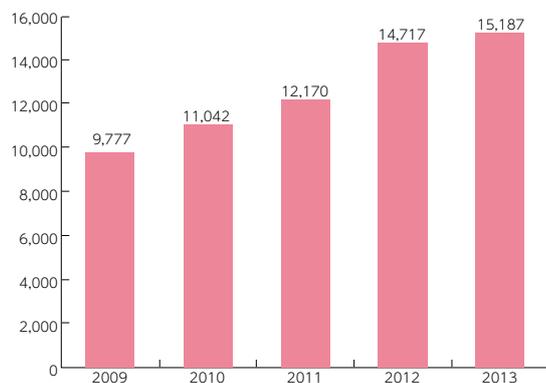
There were 485 petitions submitted for super accelerated examination in 2013. In 2013, the average FA pendency for applications requesting the super accelerated examination system was about 0.8 months from the time applicants filed their petitions. In addition, the average period of time for rights to be registered was about 2.1 months in 2013, much shorter than

<sup>1</sup> Applications which entered the national phase after being filed as international applications

<sup>2</sup> An examination conducted upon the submission of a written opinion or amendment by the applicant after the first action

the average for applications filed using the conventional accelerated system, which took about 4.9 months.

**Figure 2-1-3 Change in the number of applications filed under the accelerated examination system**



**Figure 2-1-4 Change in the number of applications filed under the super accelerated examination system**



## 2. Efforts to Obtain Stable Rights

In order for companies to safely utilize their own intellectual property rights in the global market and to perform business activities, it is essential that stable and valid patent rights be granted all over the world. Stable rights, to be valid in the world, require that there are no reasons anywhere for invalidation, that a clear line between other rights is set, and that the rights are not unnecessarily restrictive.

Therefore, it is important to deepen understanding of many factors such as technologies and related technical fields subject to examinations. In addition, it is important to conduct accurate prior art searches that include national and overseas documents, and implement

quality control of patent examinations in a way that the results notified to applicants are based on high-quality examination procedures. In addition, it is necessary to review the examination standards when necessary in order to respond to the opinions of users and the results of appeals/trials and judgments from the viewpoint of international system harmonization.

Furthermore, in order to promote stable intellectual property activities by applicants, it is also important for the JPO to implement measures that meet the needs of users by ensuring that they can acquire efficient and stable rights through smooth communications with examiners during the examination procedures.

This section introduces initiatives that the JPO is undertaking to ensure quality control and amend examination standards so that stable rights can be acquired. It also reports on initiatives that the JPO is making to support applicants in acquiring rights based on their needs.

### (1) Initiatives that Respond to Users' Needs

#### 1) Interview Examination System

The JPO has established an interview-based examination system to ensure that good communication is established between examiners and either the applicants or their attorneys.

This system, as a result, increases the efficiency of the examination procedure. (There were 4,057 interview examinations conducted in 2013.)

For SMEs, venture businesses, universities and TLOs in rural areas, the JPO has started circuit interview examinations. These are examinations conducted by examiners who visit specific interview sites located nationwide in rural areas, meet applicants directly, and consult with them about their applications and the technical content. In 2013, the JPO conducted a total of 511 circuit interview examinations. Moreover, in 2013, the JPO also conducted 26 video-interview examinations using a teleconferencing system. In addition, the teleconference system was upgraded in April 2013 to allow video-interview examinations to be conducted via the Internet. This new teleconferencing system allows applicants to

conduct video interviews using their own computers connected to the Internet, without the need for special equipment or software. Applicants, agents and examiners are all able to take part in video conferences at the same time from up to ten places.

## 2) Estimated Period for Initiating Patent Examination

In order to enable applicants and their attorneys to strategically manage their applications, the JPO provides them an estimate as to when the examination process for their applications will be completed. The JPO does this for applicants whose examinations have not yet started, but does not give estimates for applications that have not been published yet. This system is referred to as the “estimated period for initiating patent examination” on the JPO’s website.

By providing this estimate, the JPO hopes to promote discussions on the necessity of rights preservation by applicants and assist applicants in using the accelerated examination system, interview examination system, and fee-refund-request system<sup>1</sup>, as needed.

This system has been expanded so that third parties can also inquire about time estimates, enabling them to make use of the “information submission system” described below.

### 3) Information Submission by Third Parties

The “information submission system,” which is available to third parties, makes it possible for third parties to submit information to the JPO, which might be considered useful during the examination process. For example, this includes information on inventions that are related to the subject patent applications, showing that they do not have novelty or inventive steps; or information showing that the inventions do not fulfill the description requirement under the Ordinance for

Enforcement of the Patent Act Article 13-2. In 2013, 6,843 items of information were submitted.

**Figure 2-1-5 Number of Cases of Information Submission**



## (2) Efforts to Maintain and Improve the Quality of Patent Examination

### 1) Trends in the Quality of Patent Examination

Ensuring the accuracy of patent examination is an essential requirement for preventing unnecessary ex-post disputes and competition in filing applications. It is also essential for establishing high-quality rights which are internationally reliable, and for maintaining a sound patent system. In particular, recent social demand for maintaining and improving the quality of patent examinations as well as for speeding up the patent examination process is rising.<sup>2</sup>

Various discussions have advanced to the point where it is possible for the results of prior art searches and examinations conducted by one Office to be used by other Offices, thereby promoting international work sharing. A common issue at each Office is to improve their framework and procedures for patent

<sup>1</sup> Based on this system, half of the annual fees paid for requests for examination are refunded when applications have been withdrawn or abandoned before the JPO starts to examine them, and when applicants file requests for refunds within six months from the withdrawal or abandonment.

<sup>2</sup> In order to achieve high-quality patent examination, the Intellectual Property Strategic Program 2011-2013 lists its goal of formulating a quality policy for patent examination as a means of strengthening quality management. Moreover, the Intellectual Property Policy Vision approved on June 7, 2013 and the Japan Revitalization Strategy: Japan is Back, which was approved by the cabinet on June 14, 2013, incorporate the idea of expeditious patent examination and high-quality patent examination that should be recognized across the world, taking into account the expansion of global economic activities.

examination in order to achieve high-quality patent examination.

Under these circumstances, the Trilateral Offices (EPO, JPO, and USPTO) have been conducting a collaborative study on the quality of international search reports since 2011, as one part of their cooperative activities. Every International Search Authority and International Preliminary Examination Authority, including the IP5 Offices and the WIPO, has been committed to working together ever since 2012 to develop metrics to review the entire PCT system.

In addition, the Offices exchange information every year at the Meeting of International Authorities under the PCT (PCT/MIA) on the current status and improvements that have been made in the “quality management systems<sup>1</sup>” that each international searching authority and international preliminary examination authority is required to establish. They also discuss the methods for maintaining and improving the quality of international searches and international preliminary examinations conducted by each International Search Authority and International Preliminary Examination Authority.

## 2) Efforts related to Examination Guidelines

From November 2012 to January 2013, the eighth and ninth meetings of the WG on the Patent Examination Standards, supervised by the Patent System Subcommittee under the Intellectual Property Policy Committee of the Industrial Structure Council, were held. Based on the results of the deliberations, the revised examination guidelines were released in July 2013, which reflect the concepts under the Requirements of Unity of Invention and the Amendment that Changes a Special Technical

Feature of an Invention. The basic principles are that the determination made in regard to requirements of unity of invention, and also that the determination made in regard to whether or not an amendment changes a special technical feature of an invention, should not be overly strict but still take into account the requirements of the unity of invention and introduce a provision to prohibit amendments that change the special technical features of inventions.

Since the revised Examination Guidelines were released, the JPO has explained the guidelines to applicants and examiners on the revised Examination Guidelines by holding explanatory meetings and releasing journals on intellectual property.

## 3) Promoting Quality Control in Patent Examination

In order to satisfy requirements that users have in terms of the quality of patent examinations, it is important for each examination division at the JPO to make efforts to maintain and improve the quality of patent examinations. It is also important for the entire examination departments to promote measures pertaining quality control, taking into account, users’ needs and make efforts for maintaining and improving the quality of patent examination.

The JPO established the Quality Management Office to implement comprehensive measures for quality control on patent examination. Specifically, the JPO maintains and even improves the quality of patent examinations by: a) implementing measures for maintaining and improving the quality at every examination division, b) collecting and utilizing quality related information, and c) using external advice, aiming to achieve examinations that comply with relevant laws, regulations and examination guidelines, making uniform decisions among examiners conduct necessary and sufficient prior art searches and conduct highly-satisfactory and convincing examinations based on smooth communication with applicants.

<sup>1</sup> Chapter 21 of “the PCT International Search and Preliminary Examination Guidelines” (hereinafter referred to as “the PCT Guidelines” ) includes a regulation in its framework for ensuring quality. The regulation requires all International Search Authorities and International Preliminary Examination Authorities, including the JPO, to implement high-quality international searches and preliminary examinations by establishing a “quality management system” . This includes their monitoring and measuring the compatibility of their systems with the PCT Guidelines, and continually improving upon this and conducting customer surveys.

### a. Initiatives for Maintaining and Improving the Quality of Patent Examination at Examination Divisions

The examination divisions that are responsible for examining applications under the respective fields of technology work to maintain and improve the quality of patent examination in order to conduct proper examinations of individual cases through consultations among examiners (in FY2013 about 60,000 consultations) and directors check on work products to promote the unification of the standard of the judgment among examiners.

In particular, in FY2013, about 2,600 consultations were conducted on PCT international applications based on establishing uniform viewpoints as to the appropriateness of final decisions and prior art document searches. As a result of these consultations, International Search Reports improved based on the knowledge shared by examiners. Moreover, examiners were able to effectively review the standards for judgment and also share their knowledge one another.

### b. Collecting and Utilizing Quality Related Information

The Quality Management Office collects quality related information. For example, the Quality Management Office gathers information on the internal review on examination results of individual cases by third parties, and user reviews, and relevant statistical data.

In FY2013, continuing from FY2012, in-process sample checks were conducted on search and examination results by some examination divisions on a pilot basis for the purpose of enhancing the internal review system. These sample checks were conducted on the premise that checkers conduct prior art searches again when necessary and that when deficiencies are found, they correct them prior. Sixteen experienced examiners were assigned as checkers in this pilot program in FY2013. They checked about 450 cases that had been handled by about 170 examiners and assistant examiners. Based on the results, the JPO discussed the future direction of check systems.

Moreover, 2,400 internal reviews on

formality matters<sup>1</sup> of written notices of reasons for refusal were made. Also, the JPO analyzed factors that caused the differences in results of search and examinations, which were found in international search reports issued by the JPO and first actions conducted by other patent offices at national/regional stage.

A variety of information related to quality that were collected by the Quality Management Office base on these efforts is utilized to plan and improve initiatives relating to patent examination for improving the quality of examinations at sections concerned.

### c. Using External Advice

In FY2013, continuing from FY2012, the JPO conducted a satisfaction survey of Japanese companies and attorneys (675 entities). The JPO analyzed the details of the user satisfaction and publicized them on the JPO website in March 2014.<sup>2</sup>

Furthermore, at meetings with users, the JPO explains the outline of its initiatives to maintain and improve the quality of the patent examination and asks the participants to given their opinions on and requests for the patent examination processes. The information obtained is used to ensure quality control of patent examinations conducted at the examination divisions and to further enhance the quality management framework.



<sup>1</sup> Matters that can be determined if they are correct or incorrect only by items written in notification of reasons for refusal such as errors in the grounds of reasons for refusal

<sup>2</sup> See Part 2, Chapter 1, Column 1

## Column 1

### User Satisfaction Survey on the Quality of Patent Examination

In recent years, as R&D and corporate activities have been globalized to a large extent and intellectual property strategies inside and outside the country have become more and more important, there is a growing demand for maintaining and improving the quality of patent examination.<sup>1</sup> In order to meet such demand, it is necessary not only to conduct efficient patent examination processes properly and grant high-quality rights recognized across the world but also to make improvements on a continuous basis by appropriately grasping the needs and expectations of users including applicants and third parties against which their right will be exercised. To this end, it is important to continuously gather opinions from users on the quality of patent examination. The Intellectual Property Strategic Program requires that the evaluation of quality based on users' opinions be conducted.<sup>2</sup>

Continuing from FY2012, a user satisfaction survey was conducted in FY2013 for the purpose of clarifying areas that need to be improved in patent examination and discussing a future course of evaluation of the quality of patent examination. In FY2013, a few changes were made to the questions for the survey, which was conducted on the same scope as the FY2012 survey. Over 90% of 675 users responded to this satisfaction survey.

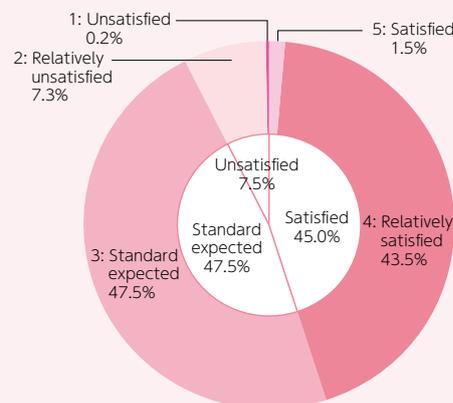
The results showed that 92.5% of users give the overall examination processes of national applications a rating of 3 and higher. A rating of 3 means "standard expected" and 4 means "relatively satisfied". The highest is a rating of 5 "satisfied". This is an increase of 4.3 points year-on-year, compared to FY2012's result which was 88.2%. Particularly, the combined 4 and 5 ratings increased by 13.4 points year-on-year

(31.6%). Moreover, 94.6% of users rated the overall search procedures PCT on international applications higher than "standard expected". This is almost the same result as that of the FY2012 survey (95.1%). However, the combined "5" and "4" ratings totaled 41.7%, which was 6.3 points higher year-on-year from the FY2012 survey (35.4%).

In addition, a relatively large number of users answered that they were satisfied with the searches conducted on national patent documents; the interviews, examinations, and responses to phone calls; and the practice of novelty. On the other hand, the results indicate that there is a high need for the JPO to reduce the amount of discrepancies seen in judgment, and to enhance searches on patent documents written in foreign languages. Many users submitted specific opinions on the descriptions of notifications of reasons for refusal and on judgment as to requirements for patents, which was the same case in the FY2012 survey, enabling the JPO to obtain important information. Furthermore, a new question was added about the quality of patent examination by other persons in the FY2013 survey. Some users commented that prior art searches and technical judgments were not complete or that they had a problem with patents being granted when descriptions of claims or the scopes of patent rights were unclear.

The JPO will continue to conduct satisfaction surveys to maintain and improve the quality of patent examination.

### User evaluations on patent examinations on national applications



Please view the following website for the report (Japanese Only).  
[http://www.jpo.go.jp/shiryou/toushin/chousa/h25\\_shinsa\\_user.htm](http://www.jpo.go.jp/shiryou/toushin/chousa/h25_shinsa_user.htm)

<sup>1</sup> Patent examination here includes International Search Reports and International Preliminary Examination Reports related to PCT international applications.

<sup>2</sup> The schedule of the Intellectual Property Strategic Program 2013 describes that a future course of quality evaluation by users should be considered to establish quality evaluation by users in FY2013 - FY2014.

### 3. Initiatives in International Work Sharing

The number of patent applications being filed in the world is increasing in line with the ongoing globalization of economic and business activities and the increasing importance of Intellectual property along with such globalization. In addition, it is indispensable for companies to accurately and smoothly obtain and utilize intellectual property rights in countries where they operate business so as to conduct global business activities strategically.

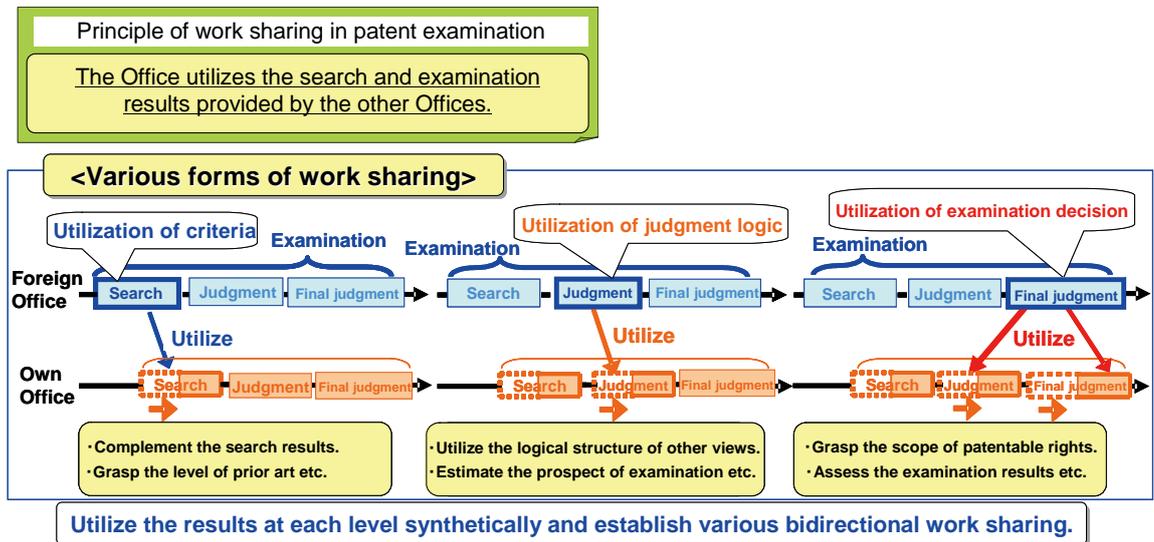
As a result, the number of duplicate applications\* is increasing. In line with this, the examination workload at all offices has been increasing. Under this situation, the JPO is encouraging work sharing among various IP offices on patent examinations. Using the framework of international cooperation to improve the accuracy and efficiency of examinations worldwide, the JPO and other offices are working to create a landscape in which applicants can strongly protect their intellectual property worldwide.

\*Duplicate applications means applications that are filed for the same invention in multiple offices.

The principle of work sharing is for each IP office to use the results of searches and examinations released by other offices. Doing so makes it possible to raise the efficiency of examinations and give more credibility to the examination results by considering the validity of the searches and examination results of other offices. Every office's utilizing the valid parts can eliminate duplicate work while they search and examine only the invalid parts.

Thus, it is important for the offices to release their search and examination results as soon as possible so that other IP offices can make the most use of them, in order to ensure that bi-directional work sharing at various levels truly functions as designed. The JPO's initiatives on work-sharing issues are as follows (Articles (1) and (2)).

Figure 2-1-6 Concept of work sharing in patent examination



### (1) Patent Prosecution Highway (PPH)

The Patent Prosecution Highway (PPH) is a framework set up to allow an application that was determined to be patentable in the Office of First Filing, i.e., the office with which the applicant first filed the patent application, to be given an accelerated examination under simplified procedures in the Office of Second Filing.

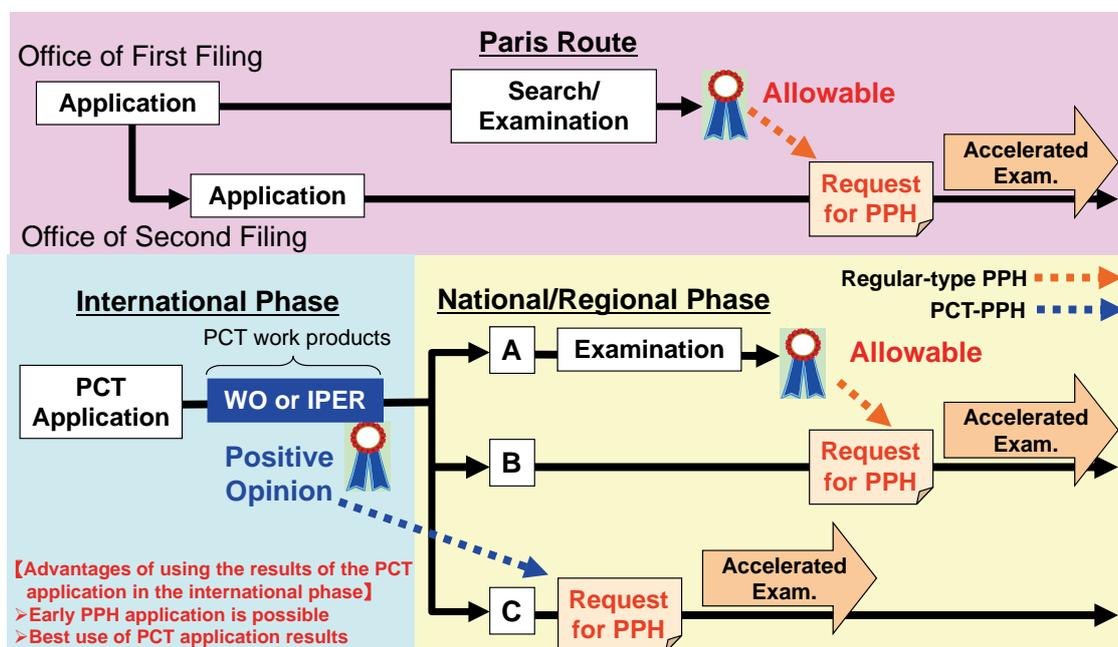
By enabling all the offices to make use of search and examination results released by other offices, applicants can acquire efficient, stable, and strong patent rights in multiple countries and regions.

Moreover, the framework of the above-mentioned PPH was expanded, and a pilot program for PCT applications under the Patent Prosecution Highway (PCT-PPH) was launched in January 2010. This PCT-PPH allows accelerated examination with simplified procedures at the national phase of PCT

applications for applications determined to be patentable in the written opinion at the international phase of PCT applications, or in the international preliminary examination report.

In addition, in July 2011, the PPH MOTTAINAI pilot program commenced with eight countries, including Japan. This program has fewer requirements. It allows examination results that have determined patentability to be possible and which were issued by any of the patent offices participating in the program, to be used, regardless which office the application was first filed with.<sup>1</sup> In addition to above-mentioned eight countries, as of January 2014, thirteen countries and regions<sup>2</sup> participate in this pilot program as of January 2014.<sup>3</sup>

Figure 2-1-7 Outline of the Patent Prosecution Highway: Regular-type PPH (above) and PCT-PPH

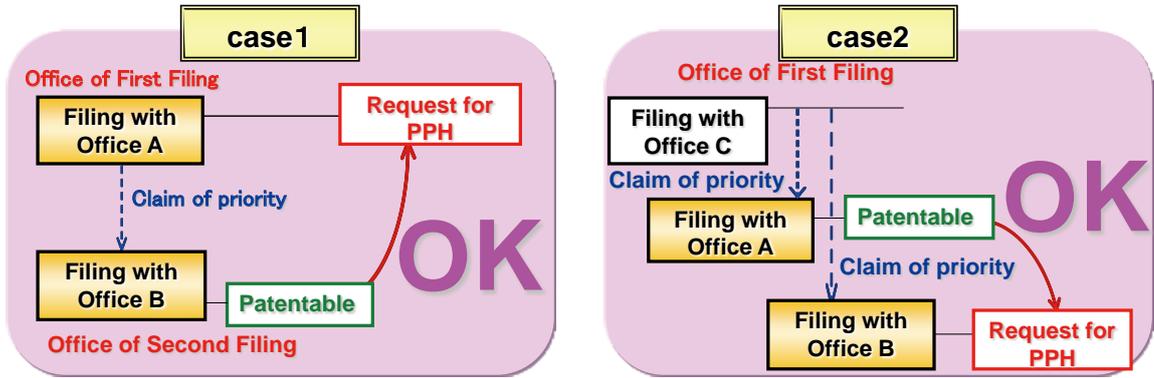


<sup>1</sup> Australia, Canada, Finland, Japan, Russia, Spain, the United Kingdom and the United States

<sup>2</sup> China, Denmark, the EPO, Germany, Hungary, Israel, Norway, the Philippines, Portugal, the Republic of Korea, Sweden and Taiwan

<sup>3</sup> See Part 2, Chapter 1, 4.(2),1

Figure 2-1-8 Cases in which the Request for PPH is Allowed under the PPH MOTTAINAI Program



There are three major benefits to applicants using the PPH.

The first benefit is improved patent quality. For example, the grant rate of regular applications filed from the USPTO to the JPO is usually 54.4%, while the grant rate of applications using the PPH is much higher, at 75.0% (2013). The ability of applicants to forecast their probability of acquiring patents is higher, making it possible for them to acquire more stable rights because examiners in the JPO and the USPTO examine the applications essentially based on the same claims.

The second benefit is accelerated examinations. For example, in the JPO, the average FA pendency, counting from the time the application was filed up to the time when a notification of first action was issued, was about 14.1 months in 2013. However, the examination pendency of PPH applications, from the acceptance of the PPH request up to the commencement of the examination, was about 2.0 months in 2013. In addition, the average pendency, from the time when the examination began up to the time the final decision is made, is usually about 10.2 months for applications filed from the USPTO to the JPO, while that of applications using the PPH is about 4.5 months (2013).

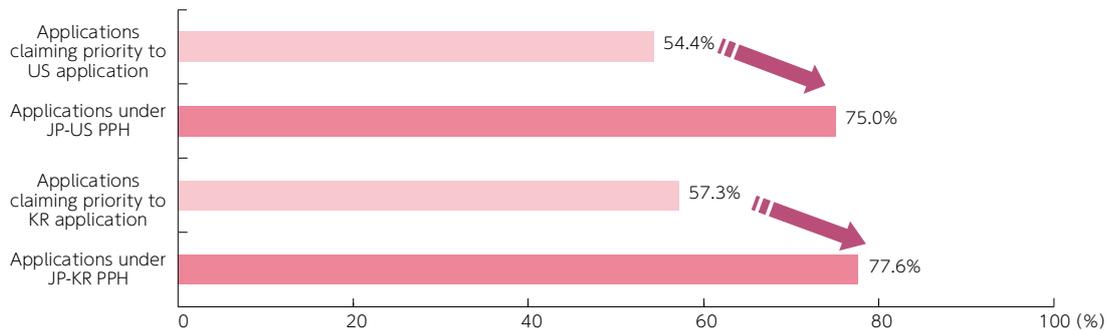
The third benefit is reduced costs to acquire rights. It can be assumed that once a reason for refusal has already been sent by one office, it is not necessary for all the other offices to send notifications. As a result, the volume of

correspondence between examiners and applicant is less, thereby reducing workloads and costs. This enables the applicants to save costs when acquiring patents, so they can invest the amount that they saved in additional R&D activities

On the other hand, under the PPH programs, examiners can examine applications using the examination results of other offices so that it is possible for them to reduce their workload and make more efficient use of their time in examining other applications. This contributes to overall expeditious examination.



**Figure 2-1-9 Benefits of using PPH  
Grant Rate at the JPO**



**Average pendency from FA to final decision at the JPO**



## (2) JP-FIRST (JP-Fast Information Release Strategy)

The principle of patent examination work-sharing, as described above, is for each office to utilize the search and examination results released by other offices. However, in some cases in the past, examination results from the JPO as the Office of First Filing could not be provided before examinations were initiated in the Office of Second Filing. As a result, the results of the Office of First Filing could not be used in the decision made in the Office of Second Filing.

Due to this circumstance, the JP-FIRST was implemented in April 2008 in order to solve the above-mentioned problem, taking into consideration the patent system of the JPO. This includes an examination system in which requests for examination are to be made within three years, and a framework to conduct international searches for PCT applications.

JP-FIRST is a framework in which:

- the JPO prioritizes examinations of patent applications for which examinations have been requested within two years from their filing date, from among patent applications eligible for

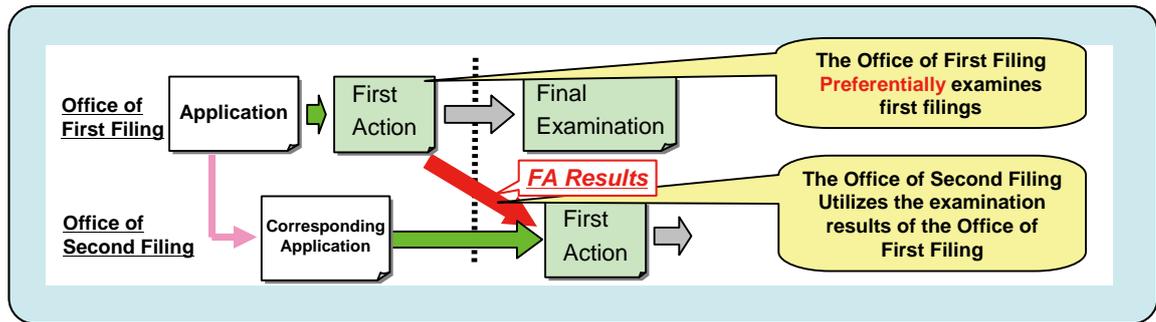
priority under the Paris Convention.<sup>1</sup> (PCT applications are not eligible for JP-FIRST).

- the JPO conducts examination basically within six months from the latter date of either the examination request date or the publication date, and no later than 30 months after the filing date.

This ensures that the examination results of the first action by the JPO are utilized in the examination in the Office of Second Filing. In 2013, examination results for 8,496 applications were released outside Japan earlier through this program. This is expected to enable Japanese applicants to acquire appropriate patent rights in foreign offices. Providing the results of the first action by the JPO earlier alleviates the amount of examination workload at all other offices, so promoting the utilization of these results in foreign offices is important.

<sup>1</sup> When applicants first file applications to a country participating in the Union of the Paris Convention, i.e., the country of first filing, and intend to file their applications to another country participating in the Union of the Paris Convention, i.e., country of second filing, they have the right for the judgment on novelty/inventive step, etc. to be handled in the same way as that made as of the filing date at the country of first filing, provided that the period from the first filing date to the second filing date is less than 12 months.

Figure 2-1-10 Outline of JP-FIRST



#### 4. Initiatives to Achieve Future Patent Strategies

The international landscape surrounding intellectual property is drastically changing because of economic globalization and the expansion of emerging markets such as those in Asia. Japanese companies are expanding their intellectual property strategies on a global basis. Under such a situation, the number of applications filed by Japanese applicants to foreign offices has greatly increased. In addition, the regions where Japanese applicants file have changed, from the Trilateral Offices (the JPO, EPO and USPTO) to the IP5 Offices, namely the Trilateral Offices plus the KIPO and the SIPO.

And with China becoming the second largest economic power and surpassing Japan, the number of lawsuits in China has been rapidly increasing in line with the overall increase in number of patent applications. There are concerns that intellectual property disputes will become even more heated in the future.

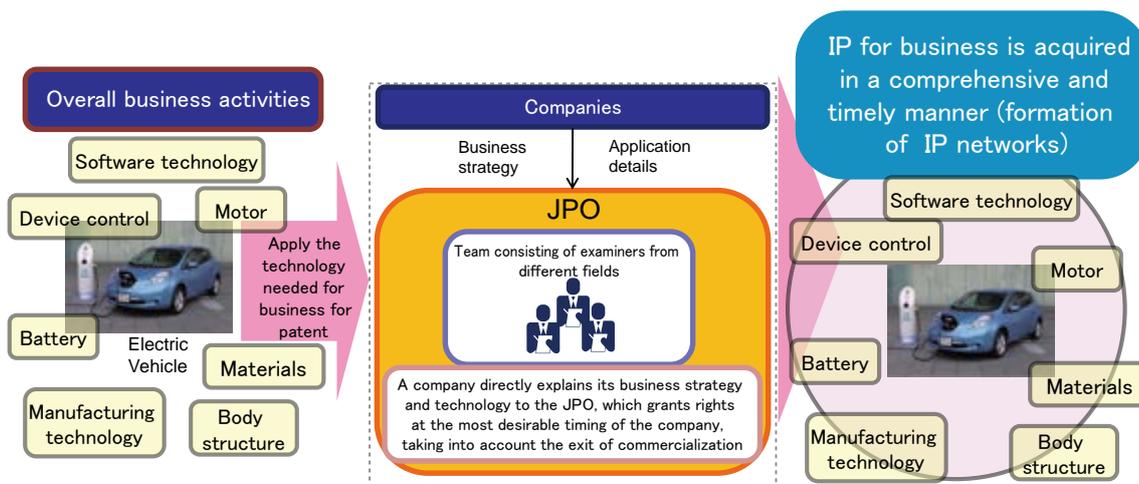
In view of these circumstances, the JPO has made various efforts to create a patent policy in Japan, which allows stable patent rights to be granted and valid worldwide and allows rights to be obtained expeditiously and smoothly in other countries so that Japanese companies can conduct business operations effortlessly all over the world. This section introduces initiatives that the JPO has undertaken to create an examination system that aligns with the business strategies of companies, harmonizes international patent systems, enables users to acquire stable rights valid worldwide, expands the jurisdiction of PCT international searches in English, and conducts PR activities on the PCT for international filings.

##### (1) Initiatives for creating an examination system that aligns with business strategies of companies

Intellectual property strategies of companies have become more business based in line with the globalization of business activities and the diversification of business models. In order to address this situation, the JPO in April 2013 introduced a system enabling “collective examinations for IP portfolios” to be possible, in response to corporate business strategies. In FY2013, 23 collective examinations were conducted out of the 244 patent applications eligible.

Under this system, the JPO conducts examinations of different types of intellectual property such as patents, designs and trademarks all at one time, which are the catalysts driving business in Japan and other countries. By granting cross-sectional rights timed to business expansion activities, the JPO is advancing deliberations on this examination system so as to address applications based on the above-mentioned intellectual property strategies. In response to business strategies, the system of collective examinations makes use of interviews and information obtained about companies’ businesses so that examinations based on a full understanding of business backgrounds, and their connections to technologies, can be conducted. Moreover, the schedule of explanations on businesses, interviews, and launches of examination procedures are coordinated to support companies in acquiring rights at their most desired timing.

Figure 2-1-11 Collective examinations in response to business strategies



## (2) Working toward International Patent System Harmonization

### 1) Creating International Patent Networks

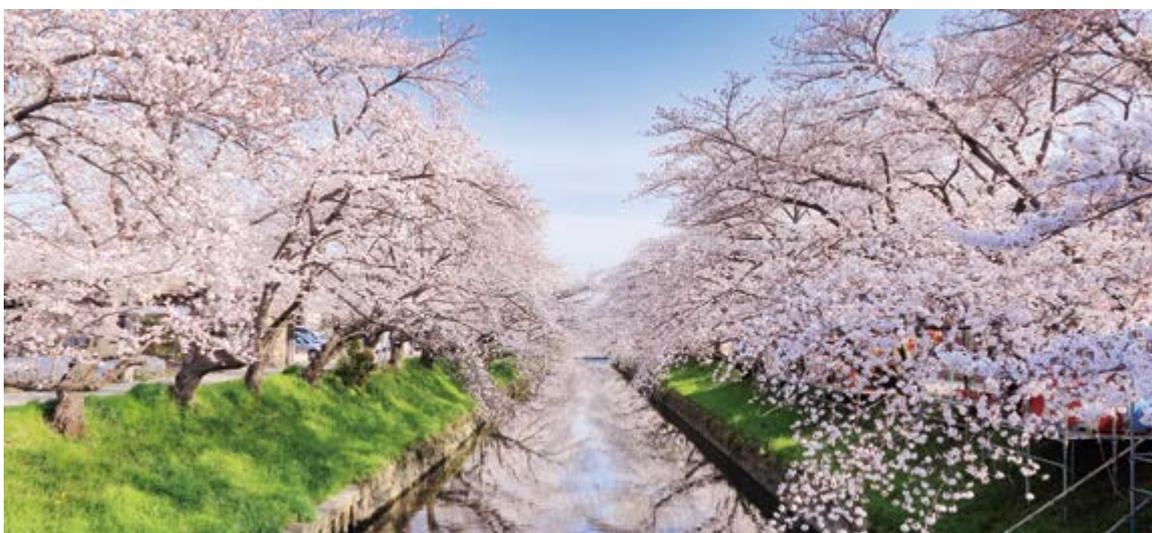
#### a. Expanding and Developing the PPH

After the launch in July 2006 of the pilot program of the world's first PPH<sup>1</sup> between the JPO and the USPTO, the number of applications filed under the PPH has steadily increased.

A high number have been filed under the PPH programs implemented between Japan and the United States, between Japan and South Korea, and between Japan and the EU. As of the end of December 2013, there have been 10,304 requests filed to the USPTO and 2,931 requests filed to the JPO under the US-JP PPH. In

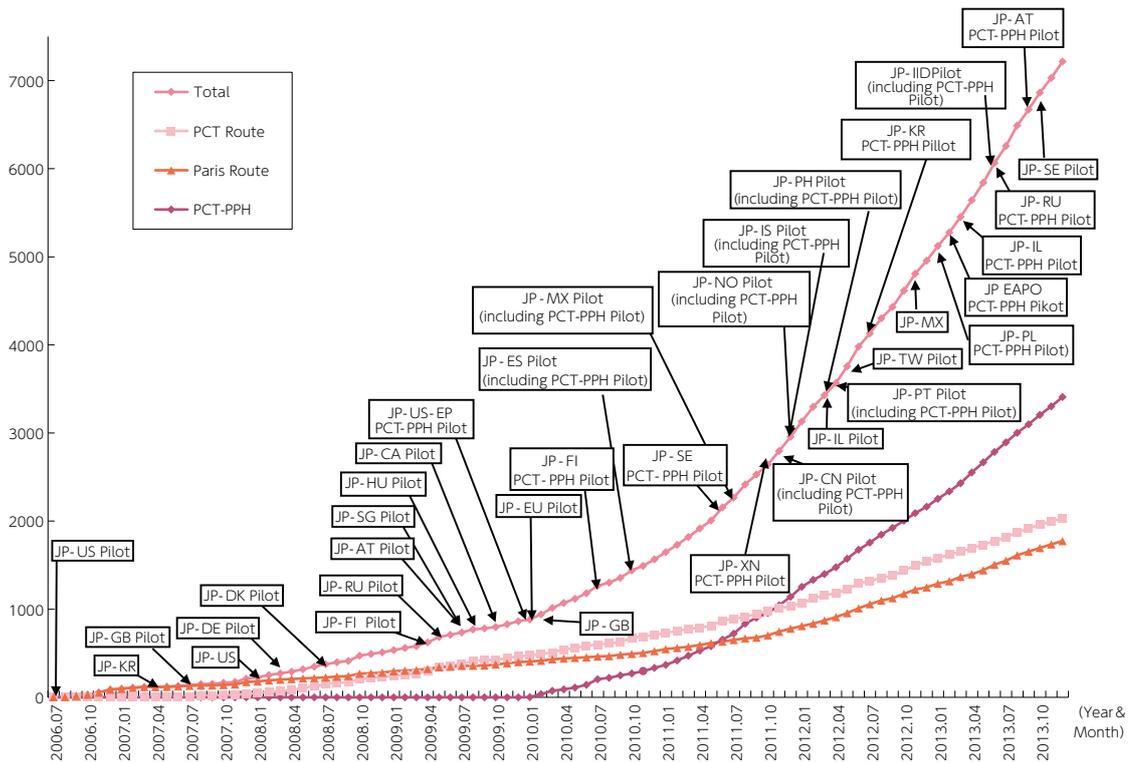
addition, 3,038 requests to the KIPO and 344 requests to the JPO have been filed under the KR-JP PPH, 2,148 requests to the EPO and 1,004 requests to the JPO have been filed under the EU-JP PPH, and 3,477 requests to the SIPO and 82 requests to the JPO have been filed under the CH-JP PPH.

The JPO supports applicants to acquire stable and expeditious rights abroad and also endeavors to increase the number of countries and regions with which it has PPH agreements, in order to improve the quality of examination and alleviate the examination workload by utilizing the examination results from each office.



<sup>1</sup> See Part 2, Chapter 1, 3.(1)

Figure 2-1-12 Number of applications for the PPH (as of December 2013)



**a) Increasing PPH Countries and Regions**

As of the end of January 2014, Japan is conducting either full or pilot PPH programs of some form with 28 countries and regions. As a result, more than 90% of international applications filed by Japanese applicants can be examined under PPH programs.

In addition, as of the end of January 2014, the JPO has been conducting a pilot PPH MOTTAINAI program with 18 countries and regions, which are countries with which the JPO has been conducting either full or pilot PPH programs. (See Figure 2-1-13.)

It is anticipated that the Japanese applicants can expeditiously acquire more patents, as they file more applications under the PPH programs.

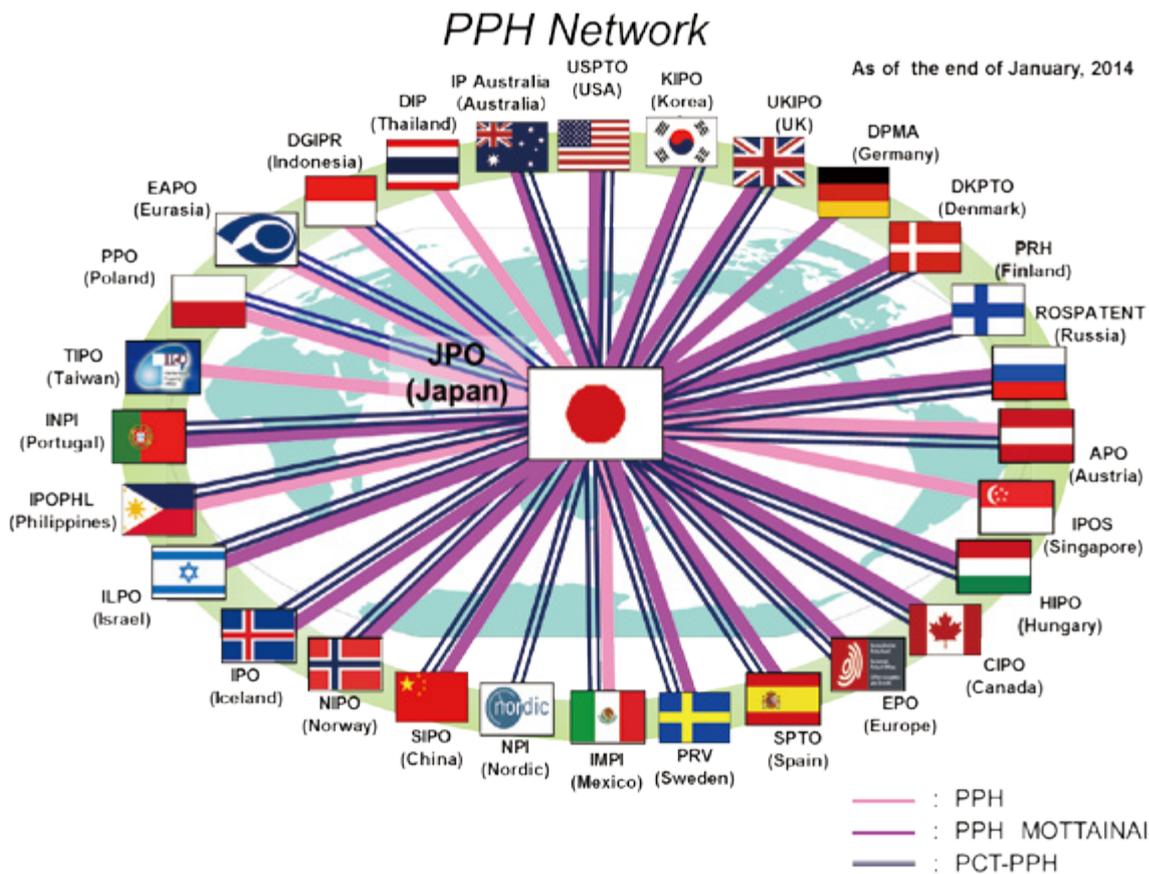
The number of countries and regions with which the JPO conducts the PPH program and the PCT-PPH program is increasing every year.<sup>1</sup>

Particularly, the importance of China has increased in terms of intellectual property. However, patent applications subject to accelerated examination had been limited in China. As a result, users who wanted to quickly acquire patent rights in China to protect their technologies requested the JPO to launch a PPH with China. To that end, the JPO was the first office in the world to launch a PPH and PCT-PPH with the SIPO, in November 2011. In January 2014, the JPO and the SIPO also introduced a PPH MOTTAINAI program to ease the requirements for PPH applications, increasing the applications eligible for the program.

Moreover, in January 2014, the JPO launched PPH program with Thailand, following Singapore, the Philippines and Indonesia among the ASEAN member countries showing remarkable potential for economic development in recent years. Furthermore, in January 2014, the JPO launched PPH MOTTAINAI and PCT-PPH programs with Australia, programs that users have strongly requested to have.

<sup>1</sup> Since April 2013, the JPO has launched PPH programs with Indonesia, Sweden, Thailand and Australia and PCT-PPH programs with the United Kingdom, Russia, Hungary, Canada, Indonesia and Australia.

Figure 2-1-13 Network of the PPH between the JPO and other offices



### b) Easing and Standardizing the Requirements for PPH Applications

Each of these PPH programs have been conducted under bilateral agreements so there is a problem when the Office of Second Filing has different requirements for its PPH, even though the PPH applies to applications filed with the JPO. Due to this situation, many users are requesting that the PPH requirements be standardized.

Thus, the first Plurilateral Patent Prosecution Highway Commissioner Meeting and Working-Level Meeting were held in February 2009. Since then, subsequent meetings have been held, with the sixth Working-Level Meeting held in Tokyo, Japan in June 2013. Represented at that meeting were IP offices and organizations from 24 countries and regions.

During discussions at the sixth Working-Level Meeting on designing a plurilateral PPH program with standardized requirements, the

JPO submitted a proposal it called the Common PPH Guidelines, which outlines common requirements for achieving standard application procedures. In addition, the JPO proposed the PPH Policy. It promotes several initiatives, including the maximum use of the examination results of the office of earlier examination and the accelerated examination to final decisions, the transparency of data about PPH, and others, setting a common understanding about the PPH. All participating offices agreed that these proposals should be used as fundamental elements in designing a Plurilateral PPH framework for the future, deciding to continue discussions. Taking this into account, 17 countries and regions including Japan agreed to launch a Global Patent Prosecution Highway<sup>1</sup> from January 2014.

Moreover, at the Meeting of the IP5 Heads

<sup>1</sup> See Part 2, Chapter 1, Column 2.

of Office that was held in Geneva, Switzerland, in September 2013, the five offices (EPO, JPO, KIPO, SIPO and USPTO) agreed to launch an IP5 PPH program from January 2014. The five offices will continue to have further discussions to improve quality and management systems through the PPH arrangements among the five offices.

As a result, the five offices can use all types of PPH programs such as the regular PPH, the PPH MOTTAINAI and the PCT-PPH. This broadens the options of users for acquiring rights strategically and improves user convenience based on simplified procedures. As a result of these initiatives, it is expected that the PPH will become a more effective framework.

#### **b. International Examiner Exchange Program**

The number of opportunities for examiners at the JPO to utilize the examination results of other offices, and vice versa, has been increasing because of the rising number of applications being filed for identical or similar inventions at numerous offices as a result of the globalization of economic activities, the expansion of the PPH programs, and the development of information networks among patent offices. Under these circumstances, the International Examiner Exchange Program is designed to provide examiners with opportunities for interacting directly with examiners from other offices to promote work sharing based on understanding each other's prior art searches and examination practices, to share examination practices and examination results, to harmonize the quality of patent examinations at a high level, to harmonize patent classifications, and to act on initiatives under taken by the JPO and other offices. From April 2000 to the end of March 2014, the JPO had completed short-term, mid-term, or long-term examiner exchanges based on the International Examiner Exchange Program with 21 IP offices and organizations. (See Figure 2-1-15.)

In FY2013, the JPO sent two examiners each on a short-term assignment for the first time to the Intellectual Property Office of Singapore (IPOS) and the National Office of Intellectual Property of Vietnam to support mainly examination practices at those offices. Moreover, the JPO hosted the Five Office

Examiner Workshop in which examiners from the JPO, EPO, USPTO, SIPO and KIPO identified each other's search and examination methods, sharing the best practices.

Moreover, in FY2013, the JPO sent examiners on mid-term and long-term assignments to the EPO (2 persons), to the USPTO (2 persons), the IPOS (1 person), the IP Australia (1 person), and the WIPO (1 person). The JPO discussed initiatives and policies concerning work sharing on patent examination, information infrastructure, patent examination quality with the EPO and the USPTO. The JPO supported and coordinated the development of information infrastructure by sending examiners to the IP Australia and the WIPO. The JPO shared examination practices with the IPOS through training conducted by JPO examiner.

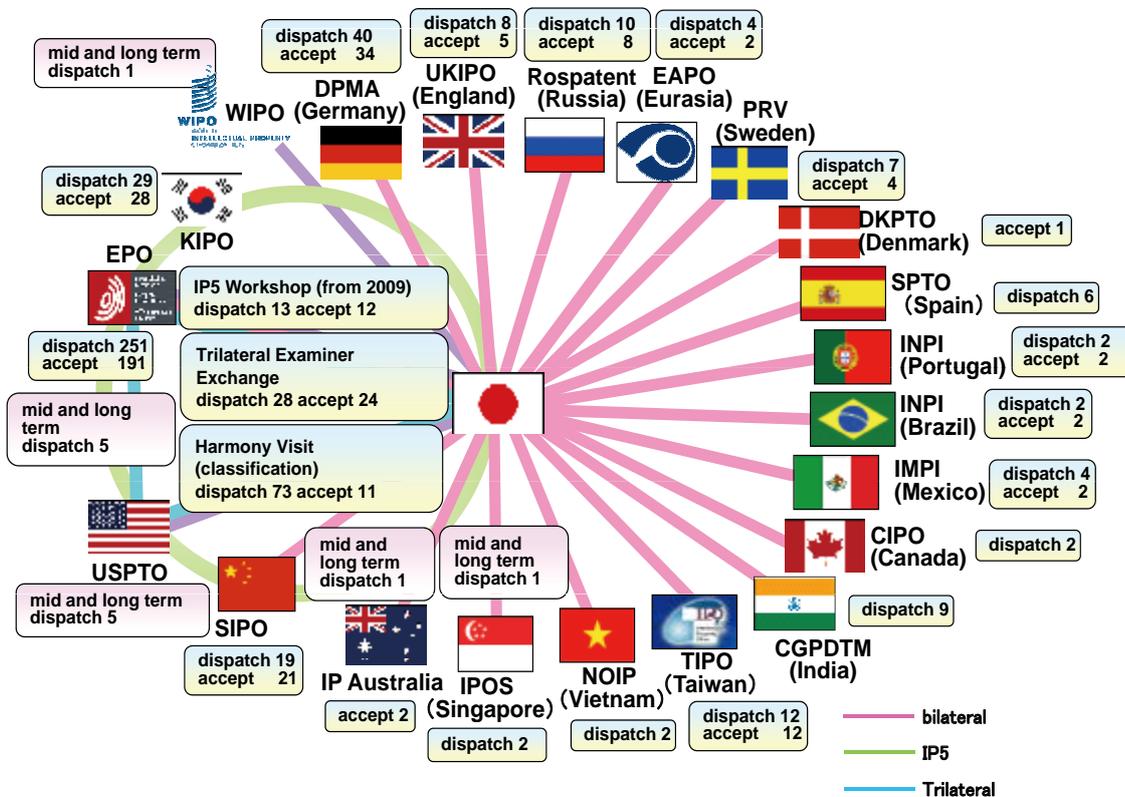
In FY2014, the JPO will send even more examiners, especially to emerging countries such as the ASEAN-member countries and India on short-term, mid-term and long-term assignments under the International Examiner Exchange Program, enhancing cooperation on examination in order to meet various needs in accordance with the level of development of each country.

#### **2) Discussions for Harmonizing International Patent Systems**

Every country has its own patent system, so applicants basically need to file applications with each IP office to acquire patents overseas. Due to this situation, it is essential to harmonize patent systems so as to allow smooth and predictable acquisition of patent rights overseas. Discussions on patent system harmonization began in 1985, mainly led by the WIPO, but no major progress had been achieved.

Then, the US Congress advanced deliberations on a patent reform bill in 2011, creating the momentum for IP offices to re-discuss patent system harmonization. At the fifth Meeting of the IP5 Heads of Office held in June 2012, the IP5 Offices agreed to establish a Patent Harmonization Experts Panel to discuss this issue. In December 2012, the first Patent Harmonization Experts Panel was held and discussions are still being held to this day.

Figure 2-1-14 Actual records of examiner exchange programs (total number from April 2000 to March 2014)



Moreover, the Tegernsee Group<sup>1</sup> consisting of the JPO, the USPTO, the EPO, and the IP Offices of major European countries such as the United Kingdom, Germany, France and Denmark has held discussions on patent system harmonization since July 2011. Currently, discussions by the Tegernsee Group are focused on four key issues for the harmonization: the grace period, treatment of conflicting applications, 18-month publication, and prior user rights in which large difference of patent systems among countries are still seen.

At the fourth Tegernsee meeting held in September 2013, a summary of results of user consultations held by each office was given. The consultations were held in response to an agreement reached at the third Tegernsee

meeting for conducting consultations. In addition, the participating offices agreed to release the results to the public. They also discussed how to bring forward works at the Tegernsee Group in the future, agreeing that an expert group formed of members from each office should produce a joint factual summary analyzing both common ground and differences found in the results of user consultations.

The JPO will promote initiatives aimed at achieving patent system harmonization via all types of meetings such as the Patent Harmonization Experts Panel and the Tegernsee Group Meetings working to maintain the increased momentum of discussions on harmonization.

<sup>1</sup> Since the first meeting toward harmonization of patent systems and practices, attended by these IP offices, had been held at Tegernsee in the suburb of Munich, Germany, in July 2011, the attendees were called the "Tegernsee Group".



Column 2

Global Patent Prosecution Highway

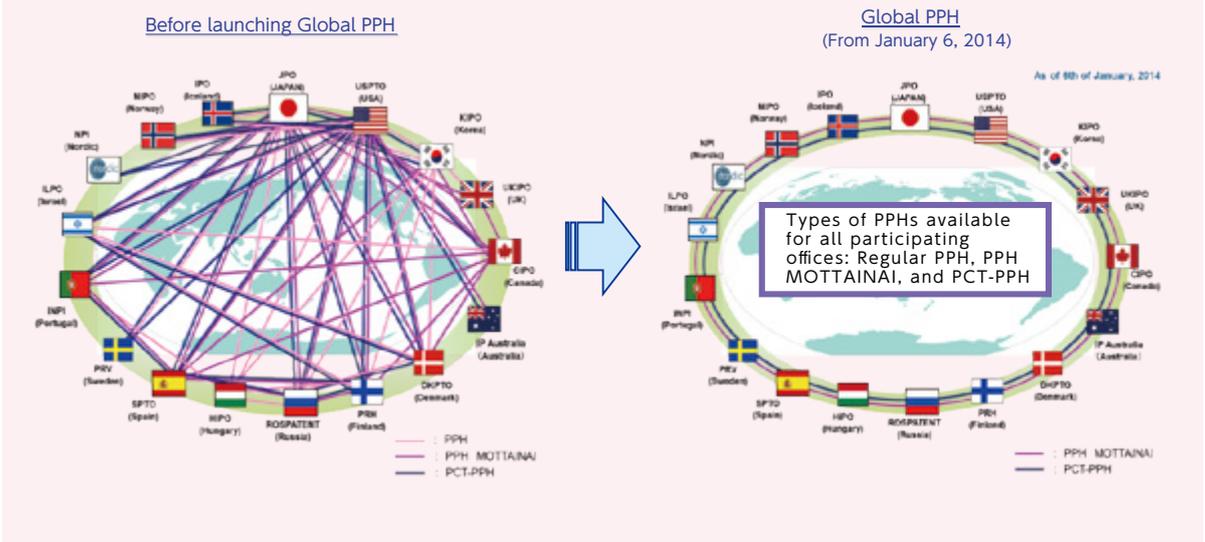
The JPO has promoted the PPH programs so as to enable Japanese applicants overseas to speedily acquire patent rights. Moreover, the JPO has strived to improve the usability of the PPH programs by introducing the PCT-PPH and PPH MOTTAINAI programs.

However, it has become difficult for applicants to know which types of PPH programs are available in each country, since the programs vary country by country. This has caused confusion. For example, the PCT-PPH is available in the United States, while it is not in the United Kingdom.

In order to address this situation, the JPO

agreed to commence a multilateral framework called the Global Patent Prosecution Highway, which commenced from January 2014. The Global PPH standardized PPH programs for 17 countries/regions, which consists of Australia, Canada, Denmark, Finland, Hungary, Iceland, Israel, Japan, the Republic of Korea, Nordic Patent Institute, Norway, Portugal, Russia, Spain, Sweden, the United Kingdom and the United States.

All offices participating in this framework have made all PPH programs available to users, so they do not need to identify which PPH programs are available in each country. It is anticipated further expansion of this framework in the future will make the PPH programs be more accessible.



(3) Establishment of internationally valid and stable rights

1) Initiatives for revising the International Patent Classification (IPC)

Patent classifications are important elements used to search worldwide patent documents in an efficient manner. The IPC that is currently used globally contains only about 70,000 classifications, which is not enough, so the current IPC is not really efficient in terms of searching documents. The Committee of Experts of the IPC Union at the WIPO in February 2013 decided that the WIPO is to present to the IPC-member countries on a regular basis technical

fields for which the IPC needs to be revised, since there are more patent documents from emerging countries than there are classifications. The WIPO's efforts in this respect will make the IPC more segmentalized in the future, particularly in fields that have a large number of patent documents from emerging countries.

On the other hand, the IP5 Offices are cooperating in revising the IPC. To begin with, the IP5 Offices agreed on revised IPC tables and presented a proposal to the IPC-member countries for revising the IPC. In their efforts to harmonize patent classifications, the IP5 Offices have discussed the CHC (Common Hybrid

Classification) project. However, this project has reached a deadlock due to the different positions of each office. In response to this situation, in January 2013, the USPTO made a proposal to establish the GCI (Global Classification Initiative), an IP5 framework in place of the CHC project. At the sixth Meeting of the IP5 Heads of Office held in June 2013, the IP5 Offices agreed to introduce the GCI, which seeks to combine and reorganize the JPO FI/F term classifications and the EPO and the USPTO CPC into the IPC so as to harmonize technical fields as a way to revise classification. This is called Activity i. In Activity ii, the IP5 offices will collaborate and create new classifications corresponding to new technologies.

In June 2013 the JPO submitted proposals for 35 technical fields as a means for revising the IPC under the framework of the GCI. In November 2013, classification revision projects were launched in 16 technical fields at the IP5 Classification Working Group, which held its first meeting after agreement had been reached on the GCI. Currently, the IP5 Offices and the IPC-member countries hold discussions on an on-line bulletin board, formulating specific revised IPC classification tables.

The JPO will cooperate with other countries in revising the IPC so as to make it more efficient, taking into account technical development aspects.

## 2) Enhancement of Quality Control in Response to Globalization<sup>1</sup>

With the increase in global applications, patent offices in major countries have been focusing on improving the quality control of patent examination, establishing their quality control systems. The JPO has continuously worked to maintain and improve the quality of patent examination, so as to achieve quality control that is among the best in the world.

Moreover, in FY2013 the JPO formulated its form Quality Policy on Patent Examination<sup>2</sup> which outlines the fundamental principles for maintaining and improving the quality of patent examination at the JPO. It was released on the

JPO's website in April 2014.<sup>3</sup> This Quality Policy is the basis of various initiatives that the JPO is implementing to improve the quality of patent examination. It also serves to further raise awareness on quality by the JPO staff involved in patent examinations, and further improve the level of confidence that users both in and outside Japan have in patent examinations conducted by the JPO.

Furthermore, the JPO during FY2014 will set up a comprehensive evaluation index to evaluate the quality of patent examination and strengthen quality control so as to achieve the highest level of patent examination quality in the world. The JPO will also establish a committee consisting of examiners and academic experts in early FY2014 to objectively evaluate the status of quality control and the degree it is being implemented.

### (4) Expanding the competence of international searches for PCT international applications filed in English

Japanese companies are expanding their R&D centers outside Japan, especially in emerging countries such as in Asia and other regions. This is an indication that their IP activities outside Japan are becoming more and more important. Under such circumstances, the JPO needs to create a framework in which R&D achievements produced by Japanese companies in foreign countries can be properly protected.

Under the PCT system, the JPO can establish international search reports for the PCT international applications filed in countries where the JPO act as an international search authority (ISA), upon the requests of the applicants. The JPO can transmit the results of prior art searches worldwide through international search reports, creating the framework that enables Japanese companies to acquire stable rights overseas.

Based on this, the JPO has actively expanded the competence in which it can act as an ISA for PCT international applications, especially in Asian emerging countries.

<sup>1</sup> See Part 2, Chapter 1, 2, (2),3)

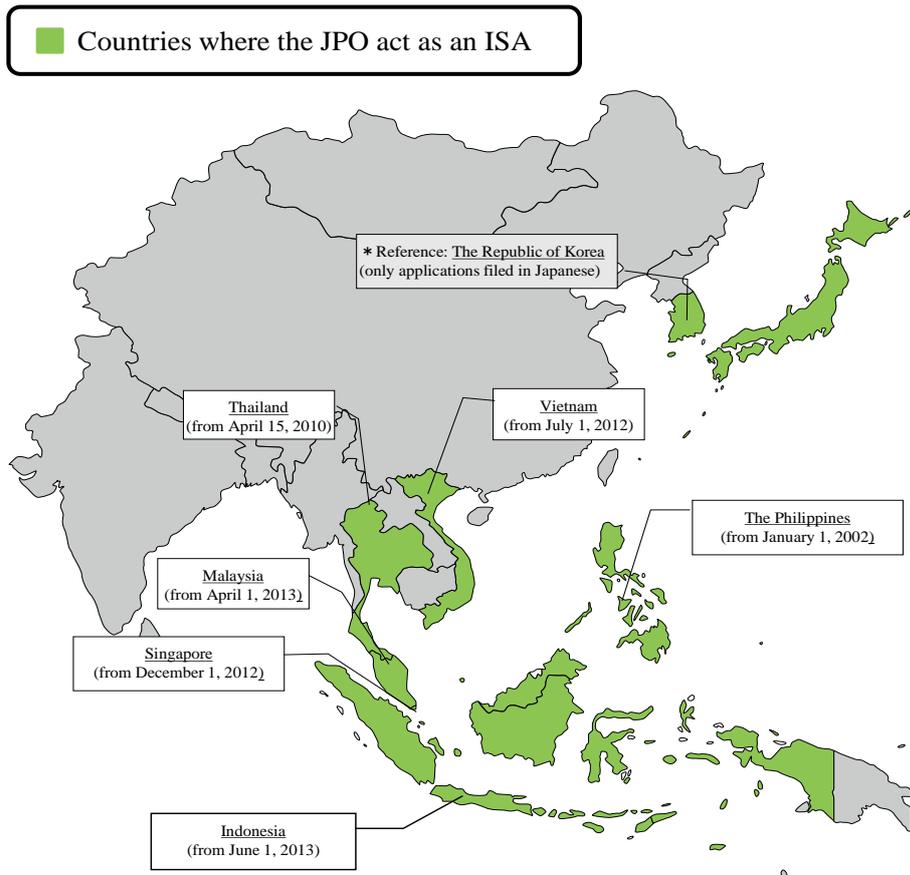
<sup>2</sup> See Part 4, 3, Column 3

<sup>3</sup> [http://www.jpo.go.jp/seido\\_e/s\\_gaiyou\\_e/pdf/patent\\_policy/policy.pdf](http://www.jpo.go.jp/seido_e/s_gaiyou_e/pdf/patent_policy/policy.pdf)

Specifically, the JPO started acting as an ISA for PCT international applications filed in English in Vietnam from July 2012, in Singapore from December 2012, in Malaysia from April 2013 and in Indonesia from June 2013, in addition to the Philippines and Thailand.

The JPO as an ISA will continue to improve this framework by transmitting results of high-quality prior art searches under the PCT, so that applicants who intend to acquire rights worldwide are able to secure stable rights.

Figure 2-1-15 JPO's Status of competence of PCT international searches (as of January 31, 2014)



### (5) PR Activities on International Filing Systems under the PCT

From October to December 2013, the JPO held 11 explanatory seminars on international filing system under the PCT in seven locations in Japan, including Tokyo, Osaka and Nagoya. These seminars were done to explain the outline and merits of the PCT system. Moreover, the procedures for filing documents and the procedures for preparing documents that will be filed with the JPO as a receiving office and as a designated office were explained. At the explanatory seminars, brochures were distributed such as “the Outline and Procedures of the PCT System” and “Procedures for International Applications under the PCT ”, explaining in detail the formats and how to fill in documents to be submitted.

Upon requests from organizations and local governments, the JPO sent lecturers to the explanatory seminars. A lecture was given at the Yokohama IP Seminar in June 2013 and the Shinagawa IP Seminar in November 2013 respectively for owners and persons involved with IP at SMEs, under the theme of “International Applications”, giving basic knowledge on how to run a business utilizing IP.

In addition to these activities, the JPO created a pamphlet called International Application System under the PCT, which summarizes the PCT system and makes it easier for users to understand it. The JPO distributes this pamphlet at the counter at its office and at its IP system explanatory seminars.

The JPO is also raising awareness on the PCT at an international level. For example, officials from the JPO, the KIPO and the SIPO, as well as patent attorneys, participated as lecturers in a seminar for PCT users in the EU (Munich, Germany) held in June 2013. They lectured on the procedures for each country’s national phase. In addition, in June 2013, the JPO held a seminar in Namibia for staff at IP offices in member countries of the Africa Regional Intellectual Property Organization (ARIPO), which either have already acceded to or are considering acceding to the PCT. This seminar was held in cooperation with the WIPO, the ARIPO, and the Namibian government and was a part of the support given to Africa under the WIPO/Japan

Funds in Trust. The aim of the seminar was to enhance the participants’ understanding of the PCT system and practices, and encourage more effective utilization of this system.<sup>1</sup> Moreover, the JPO welcomed an investigation team consisting of government officials from Myanmar in May 2013 and an investigation team including the Vice Minister for the Ministry of Commerce from Cambodia in October 2013. The JPO gave presentations to them on the various operations in the JPO under the PCT.

It is hoped that by raising interest in the PCT system by conducting these and other activities, Japanese users making use of the PCT system will be encouraged to acquire rights overseas and further develop their businesses outside Japan.



Pamphlet called International Application System under the PCT



JPO welcomes an investigation team from Cambodia (at the international application counter)

<sup>1</sup> See Part 3, 2. (3)

## Chapter 2

### Initiatives on Designs

It has become extremely difficult for Japanese companies to maintain their industrial competitiveness based only on cost competitiveness and conventional technical advantages. This is due to the improved technological capabilities of companies in emerging countries and modularization of manufacturing techniques in recent years. Consequently, many companies are reconsidering the value of their product designs, which strongly motivate consumers to buy products. Many companies have come to realize that their designs are a means for improving the appeal of their products. Although good designs make profits, the fact is, counterfeit products that take a free ride on these good designs are being manufactured. Companies know that protecting their design rights is essential to ensure that they can gain profits from products to which high value is added based on their designs. What is important is creating a user-friendly system for registering designs, which effectively achieves protecting design rights.

In addition, problems involving counterfeit products are occurring frequently in other countries, particularly in areas where competition is fierce, such as in emerging countries in Asia. This is taking place along with Japanese companies' conducting more globalized activities. Design rights are expected to be, as well as regarded as, effective measures to respond to problems with copying. In order for Japanese companies to compete with foreign companies in domestic and overseas markets, simple international design registration system and harmonized standards need to be introduced. This is based on the idea that such systems will bring about improved convenience for users of the Japanese design registration system.

In order to address these situations, the JPO undertook the following initiatives in FY2013.

### 1. Support for Global Activities of Japanese Companies Based on Protecting Creative Designs

With the globalization of business activities, it has been becoming more important to prevent from imitations and further promote "Japan brand" based on their creative designs, in order to ensure their global competitiveness. In fact, more Japanese companies file applications overseas based on their greater awareness of the need to protect their design worldwide and on the improved reputation of "Cool Japan" in other countries. The number of applications for design registrations filed with the USPTO, EPO, KIPO and SIPO from Japan has increased by about 30% between 2003 and 2012, after Intellectual Property Basic Act was enacted. It is necessary to promote international harmonization of design registration systems in order to develop global activities of Japanese companies based on designs. In particular, consideration needs to be given on how to support applicants when they acquire design rights worldwide and alleviate any inconsistencies with designs protected under the Design Act.

Under these circumstances, the Japan Revitalization Strategy (decided by the Cabinet in June 2013) advocates providing support to protect design rights globally, as one of the pillars for greatly strengthening the intellectual property system. One means to achieve this is Japan's accession to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs (the "Geneva Act"). Moreover, the Intellectual Property Strategic Program 2013 takes up the enhancement of protection of graphic image designs as an issue that needs to be considered in terms of creating an infrastructure under which Japanese companies can get through the global competition in intellectual property systems.

#### (1) Efforts to Become a Member of the Geneva Act of the Hague Agreement Enabling Applicants to File Applications to Multiple Countries at One Time

In line with the globalization of business activities, it has become important for companies to prevent damage caused by imitations and

promote their excellent Japanese designs overseas so as to remain competitiveness in the global market.

Under such circumstances, the Japan Revitalization Strategy (decided by the Cabinet in June 2013) advocates reviewing and revising the design registration system and make it comply with the Geneva Act, as one of the pillars for significantly strengthening the intellectual property system. This Strategy, which supports the global protection of rights, was approved in FY2013 and the bills to revise laws were submitted to the Diet immediately.

The Design System Subcommittee under the Intellectual Property Policy Committee of the Industrial Structure Council deliberated on the future direction for Japan's accession to the Geneva Act that allows users to acquire design rights globally at reasonable costs based on simplified procedures; and for Japan to accede to the Locarno Agreement Establishing an International Classification for Industrial Designs signed at Locarno on October 8, 1968, as amended on September 28, 1979 (the "Locarno Agreement"). As a result, a report titled "Support for Japanese Companies to Expand Their Businesses Overseas by Protecting Rights on Creative Designs" was compiled and approved at the fifth Intellectual Property Policy Committee of the Industrial Structure Council held on February 24, 2014.

## 1) Outline of the Geneva Act of the Hague Agreement and the Locarno Agreement

### a. Geneva Act of the Hague Agreement

The Geneva Act is an agreement on the international registration of designs, which aims at integrating filing procedures in two or more countries. It was adopted in 1999 and came into effect in 2003. This Act allows applicants to file a single application with the International Bureau of WIPO and register their designs in multiple countries, as if they had filed applications to each country individually.

An international application is registered after formality examination by the International Bureau and then published internationally. If countries that conduct substantive examination refuse the effect of international registrations, the first office action is notified within 12 months

after the said international publication. The holders of the international registrations have to follow the prescribed procedures to renew or transfer them, with the International Bureau and not with the designated country. Rights are protected in every country for at least 15 years, on the condition that applicants renew their registrations every 5 years after the date of the international registration.

A total of 46 countries and organizations including the EU and individual European countries have ratified or acceded to the Geneva Act as of the end of December 2013. The United States and the Republic of Korea are preparing to accede.

Figure 2-2-1 Direct Route

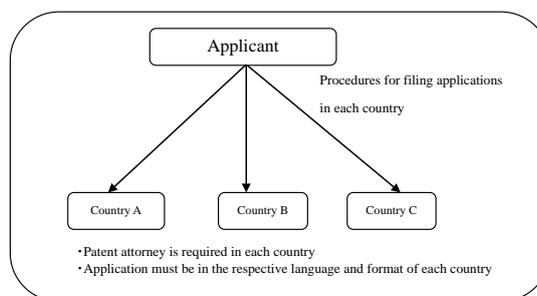
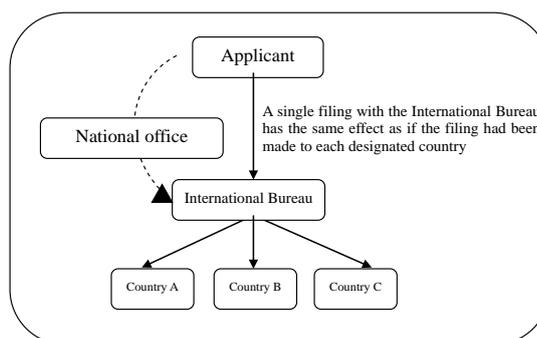


Figure 2-2-2 Filing under the Geneva Act



### b. Locarno Agreement

The Locarno Agreement came into effect in 1971, establishing the international classification for industrial designs. The 10th edition of the Locarno international classification came into effect on January 1, 2014. 53 countries have ratified or acceded to the Locarno Agreement as of January 2014. Although Japan and the United States have not yet acceded to it, they have included both the Locarno

international classification and their own respective national classification in their Design Gazettes, helping applicants conduct prior art searches based on the Locarno international classification. This Locarno international classification is prepared in English and French and consists of 32 classes and 219 subclasses. When any country accedes to the Locarno Agreement, it is obliged to include the number of the Locarno international classification in official documents and official publications for deposit or registration of designs.

## 2) Future Direction for Acceding to the Geneva Act and the Locarno Agreement

The above-mentioned report by the Design System Subcommittee states that Japan should make preparations to accede to the Geneva Act and the Locarno Agreement, based on the fact that users are requesting Japan's prompt accession because both treaties harmonize international procedures for protecting designs and support global business activities of Japanese companies. Japan is making preparations to accede to the Geneva Act, having submitted bills to revise its laws such as the Design Act, to the 186th regular Diet session taking into account the content of the report.

The Working Group on the Examination Guidelines for Designs will continue to deliberate more on how operations should be conducted. The JPO will also continue to coordinate with the International Bureau of WIPO and actively participate in the Hague Union Assembly and its working group meetings so as to improve user convenience. Besides, the JPO will explain these experiences to other countries and encourage them to revise their rules where necessary.

## (2) Deliberations for Enhancing Protection of Graphic Image Designs

In order to respond to the worldwide growth of smartphone usage and the expanding market for software based on the development of information technology, the importance of graphic image designs such as graphical user interfaces (GUIs) used for software has been increasing. This is because graphic image designs enable one company to differentiate its products and services from those of other

companies. While other jurisdiction such as the United States and the EU give extensive protection to graphic image designs, Japan provides limited scope of protection for these designs.

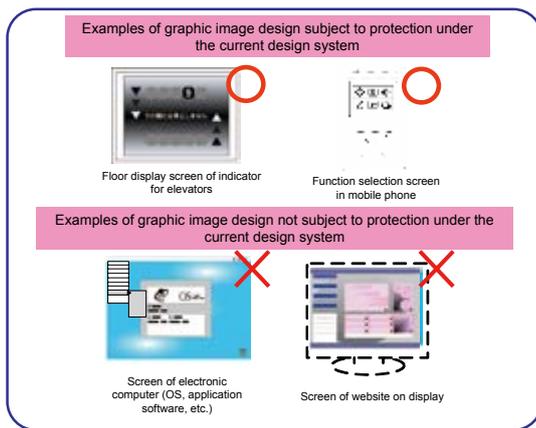
In order to address this situation, the Design System Subcommittee in December 2011 started to deliberate on this issue in addition to the issue of Japan's accession to the Geneva Act for the purpose of establishing a system conducive to global activities of Japanese companies. The Subcommittee issued a report titled "Support for Japanese Companies to Expand Their Businesses Overseas by Protecting Rights on Creative Designs". This report was approved at the 5th Intellectual Property Policy Committee of the Industrial Structure Council held on February 24, 2014.

With regard to the issue of protection of graphic image designs, the industrial sector expects, on one hand, that the scope of protection will be expanded under the Design Act. On the other hand, however, there is concern that the scope of exercising design rights will also be expanded. Based on these opinions, the report concluded that deliberations are to be made in the following way.

- Immediately start the work to create a support tool for conducting retrieval of registered designs, which utilizes the image matching technology. The tool is scheduled to become operational during FY2015.
- Based on the premise that the introduction of the above-mentioned support tool is prepared, the Working Group on the Examination Guidelines for Designs will deliberate on the possible expansion of the scope of graphic image designs that will be given protection by improving the examination standards.
- The Design System Subcommittee will further consider the scheme based on the results of deliberations by the above Working Group. Together with this consideration, the Subcommittee will clarify the interpretation of provisions referring to e.g. working and infringement of the design right and the presumption of negligence, and deliberate on the issue of the treatment for the acts of such as end users and providers.
- For the midterm and long term, the

Subcommittee will, on the premise that the accuracy of the above-mentioned support tool is improved, continue to deliberate on what the most desirable design system should be, on the basis of progress of the deliberations, users' needs, and international consistency by focusing on the issues mentioned in the report.

**Figure 2-2-3 Example of graphic image designs**



## 2. Promoting the Utilization of Design Systems

In recent years, progress is being made in product development activities that make use of designs that focus on consumer tastes and customer usability and which provide greater added value without resorting to easy cost competition.

The JPO has been working to create a framework in which companies can strategically use design systems and make use of their designs. Examples include sending experts to give advance and promoting cooperation between academia and industry in the field of design.

### (1) Sending Experts to Encourage Users to Make Better Use of the Design System

Since FY2012, the JPO has strengthened the support it provides, such as the support it offers at the IP Comprehensive Support Counters<sup>1</sup> by providing information on the strategic development and utilization of designs

and design systems. Specifically, the JPO is (i) sending experts on designs and design systems to local areas where there are few such experts and (ii) giving lectures to staff at the IP Comprehensive Support Counters about strategic activities that SMEs are conducting in terms of their using designs and the design system.

The above-stated (i) is designed to support applicants in strategically filing their applications, right from the product development stage, and enhancing their intellectual property mindset, in addition to helping them with product sales. Depending on the situation, the JPO sends experts such as design consultants, designers, and patent attorneys who have expertise in using designs, to respond to questions from regional SMEs. Persons from the IP Comprehensive Support Counters also are present with the experts. From FY2013, experts on brands, trademarks and overseas IP systems have been sent.

These experts addressed concerns users had with designs, responding to questions about product strategies, the companies' own sales appeal, sales channels, proposals on design revisions, and general advice on the shapes of products. And in terms of design systems, they responded to concerns about effective ways to file applications based on the shapes of products, similarity/dissimilarity with prior designs, differences in filing applications for partial designs and applications for design parts, points to pay attention to when filing foreign applications, and combining protection in various regions. Moreover, in some cases, experts in two fields were sent at the same time, depending on what the users wanted to know, to provide consultations on filing applications for current products and on further design improvements.

Companies requested consultations on industrial designs of various products including medical equipment, products for social services and nursing care, industrial juicers, AV system stands, loudspeakers, air cleaners, nail files, smartphone accessories, gloves, and block puzzles. Experts were sent to give advice on the utilization of both designs and design systems in response to requests about folk craft designs such as those for ceramics, lacquer ware, glassware, and woodwork; and package designs

<sup>1</sup> See Part 2, Chapter 6, 3.(1)

for food such as processed fruits (dried fruits and juice), seafood, confectioneries, liquors, and teas.

In FY2012, experts on designs and design systems were sent about 60 times based on 54 requests. In FY2013, the number of requests increased due to greater awareness about the program for sending experts. Design experts were sent a total of 89 times, but the number rises to 161 times when including experts on brands and trademarks (47 times) and experts on overseas IP systems (25 times), based on 148 requests. A number of applicants filed design applications after experts had visited them. A number of designs, for which support had been given since FY2012, were either commercialized or exhibited. Support was also given to applicants to enable them to acquire design rights and trademark rights. The outline of the program for sending experts was published in an article for the October and November editions of the JPO's journal called *Tokkyo*, which in English means "Patent". The theme was Experts Talk about Designs and Design Systems for SMEs and Intellectual Property.



Examples of nursing care products and ceramics commercialized and exhibited as a result of consultations on designs

## **(2) Promoting Academia-Industry Collaboration and Protecting Designs Created by Academia**

In recent years, art and design universities have been cooperating with companies in the field of design based on the inherent advantages found in local communities and academia. Various examples of this can be seen. For example, there are cases when large companies request universities to submit proposals on advanced designs and services or to objectively evaluate products based on human engineering. Other examples include those in which SMEs work together with universities to develop products utilizing their proprietary technologies.

## **1) Standardizing Contracts Suitable to Academia-Industry Cooperation**

While academia-industry cooperation has become more popular, a number of issues related to the handling of intellectual property have arisen, when art and design universities and companies conclude design contracts. In response to these issues, the JPO analyzed the contracts that the universities and companies were using for design agreements. The JPO developed a standardized contract suited to the agreements reached between academia and industry. The contract is designed in a way so that both parties can benefit.

## **2) Sending Intellectual Property Advisors to Set IP Management Systems at Art and Design Universities**

IP management systems at art and design universities generally lag those that are used by four-year universities and science and engineering universities. The JPO and the INPIT, by having advisors skilled in setting up IT systems go to art and design universities, are working to ensure that IP rights are properly protected and utilized.

## **3. Providing Information on Designs**

The JPO strives to provide better information on examination for designs. This includes better organizing Examination Standards for Designs, clarifying the criteria used in making decisions during the design examination process, announcing the design examination schedule, providing information on similar and related designs, and publicizing publicly known designs, all for the purpose of improving usability.

### **(1) Organizing Examination Standards for Designs**

The JPO added and modified specific examples of methods used for identifying parts for which design registration is requested. It outlined these in its Guidebook on Description of Design Applications and its Drawings. This Guidebook clearly provides specific examples of ways for applicants to file applications and list drawings, enhancing user convenience.

In FY2013, like in 2012, the JPO further

improved the content on its website by uploading examples of actual designs, which include graphic image designs that were registered after the Examination Standards for Designs were amended in July 2011. These examples are found under the area in the website called Collection of Registered Graphic Image Designs.

Additionally, some examples were added to the Collection of Registered Related Designs of Partial Designs, which contains examples that can be used to judge similarity during the examination process for designs, selected from designs registered as principal designs and related designs from applications for partial designs. This Collection was uploaded on the JPO's website.

## **(2) Clarifying Criteria Used in Making Decisions on Designs**

In responding to user demand calling for the JPO to better clarify the criteria that it uses in making decisions of refusal on designs, the JPO has been making it a practice to clearly describe in some of the notices of reasons for refusal the reasons for similarity and dissimilarity found between the designs claimed in applications and those in cited designs. This is when the reasons are based on Article 9(1) (prior application)<sup>1</sup> of the Design Act from October 2004. From FY2007, as another practice, the JPO started to describe additional reasons for refusal based on Article 3(1) (iii) of the Design Act (novelty)<sup>2</sup>.

In addition to the above-mentioned practices, from FY2011, the JPO started to describe additional reasons for refusal (based on Article 9(2) and Article 10(1) of the Design Act), in order to clarify its decisions by describing the characteristic features of the designs claimed in the subject applications with those in cited designs or those claimed in other applications, giving reasons for the final decisions.

## **(3) Publication of Design Examination Schedules**

The JPO uploads the Design Examination

Schedule on its website so that users can refer to it when filing their design applications. The Design Examination Schedule displays the estimated schedule for examinations on designs based on the particular dates on which design applications are filed. It is updated every quarter, with new information about finalized examinations being added.

The Design Examination Schedule provides applicants a rough estimate of the date when they can expect to receive examination results for their applications for design registrations, allowing the applicants to acquire rights at the appropriate timing for them.

## **(4) Providing Similar/Related Design Information on the IPDL**

In order to provide information that is useful for user to determine either similarity or dissimilarity of designs, in March 2006, the JPO launched a service providing information about similar/related designs in the IPDL. Users can easily search the relationship between a principal design and a similar or related design. The service allows users to refer to cases, which are registered as either similar designs or related designs, in the relevant field of the Japanese Design Classification. The service helps users understand the standards for determining the results, such as what sort of designs are determined to be similar when examined.

## **(5) Publishing Publicly Known Design Sources**

For the purpose of determining novelty and creativity in the design examination process, the JPO has collected designs of new products from national and international books, magazines, catalogs and the Internet, digitalizing the bibliographic data, photos, and figures of those products so they can be used as important sources for examination purposes.

Companies can use published publicly known design data as reference materials to develop their own designs as well as conduct prior design searches and design right searches, which can help them to develop further creative and value-added designs in Japan.

For that purpose, in 2007 the JPO started a service by which it can upload publicized documents on designs that it digitized and for

<sup>1</sup> See Examination Guidelines for Designs Part 6

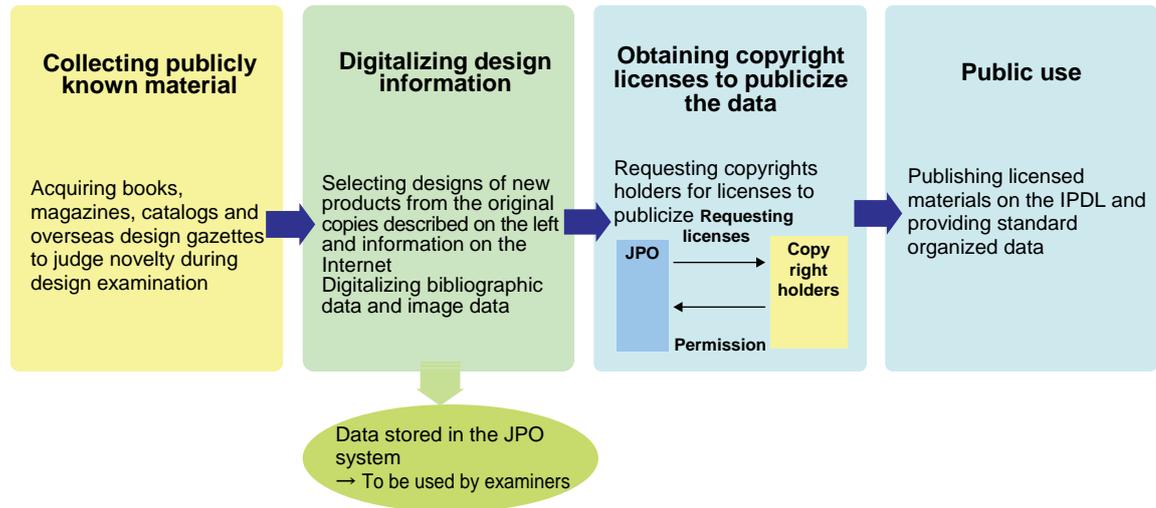
<sup>2</sup> See Examination Guidelines for Designs Part 2, Chapter 2

which it gained the copyright licenses to use, on the IPDL.

In March 2006, the Publicly Known Design Inquiry Service was launched in the IPDL, which allows users to view the bibliographic data and images of publicly known designs, by entering

serial numbers. Since October 2009, the JPO has been providing the Publicly Known Design Source Text Search Service, which allows users to make searches based on the names of articles and the Japanese design classifications.

**Figure 2-2-4 Outline of Collecting and Publicizing Publicly Known Design Materials**



## 4. Quality Management of Design Examinations

### (1) Background of Initiatives Involving Quality Management for Design Examinations

The Design Examination Department continually maintains and enhances the quality of design examinations. Some of the initiatives include checking examiners' work by managers, revising guidelines, and enhancing search systems. In April 2008, the Preparatory Committee for Quality Control of Design Examinations was established in the Design Division to provide consistent examination results in response to the expected increase in documents to be examined. The Preparatory Committee started to deliberate on organized quality management. In FY2010, the Preparatory Committee was reformed into the Design Examination Quality Management Committee (consisting of six members including directors) for the purpose of implementing and improving various measures.

### (2) Initiatives

#### 1) Conducting Sample Checks

Since FY2010, the JPO has been conducting sample checks twice a year on applications for which final decisions have been made. The applications are randomly chosen by machine.

#### 2) Gathering Opinions and Information from Users

##### a. User Questionnaire on Examination Results (among Sample Checks)

In addition to conducting internal sample checks, the JPO, ever since it initiated sample checks in the latter half of FY2011, has conducted surveys asking users their opinions about their examination results.

##### b. Information from Users about Individual Applications (excluding pending applications)

In the survey, there is a space called "Please provide additional comments about the subject application". Moreover, examiners

request users to provide comments on individual applications in which the users felt that there could be issues with the quality of examination.

### 3) Gathering and Using Information on Trials and Appeals

The Design Examination Department shares information on examination results and acquires and analyzes statistics.

### 4) Providing Statistics on Examination Procedures Conducted by Individual Examiners

The JPO keeps various types of statistics on each examiner, which can be used to compare the level of work of examiners with the overall standard level at the Design Examination Department. The purpose of this is to see trends in examiner work.

### (3) Feedback

The JPO works to improve the quality of design examinations by looking for any issues that there might be with quality, which were revealed in the results of analyses conducted on the above-mentioned initiatives, giving feedback to the Examination Department and other concerned departments and offices.



## 5. Accelerated Examination Based on Applicants' Needs

An accelerated examination system for applications filed to register designs was introduced on December 15, 1987. Under this system, accelerated design examinations are conducted for (i) working applications that urgently need to be registered and (ii) internationally filed applications. In 2013, 140 requests were made for accelerated examinations and the average period of time, from the time the requests were made until the notices of first action were sent, was 1.8 months.

An accelerated examination system designed to respond to anti-counterfeiting measures was introduced in April 2005, in order to combat counterfeiting at an early stage when counterfeit products are already being sold.

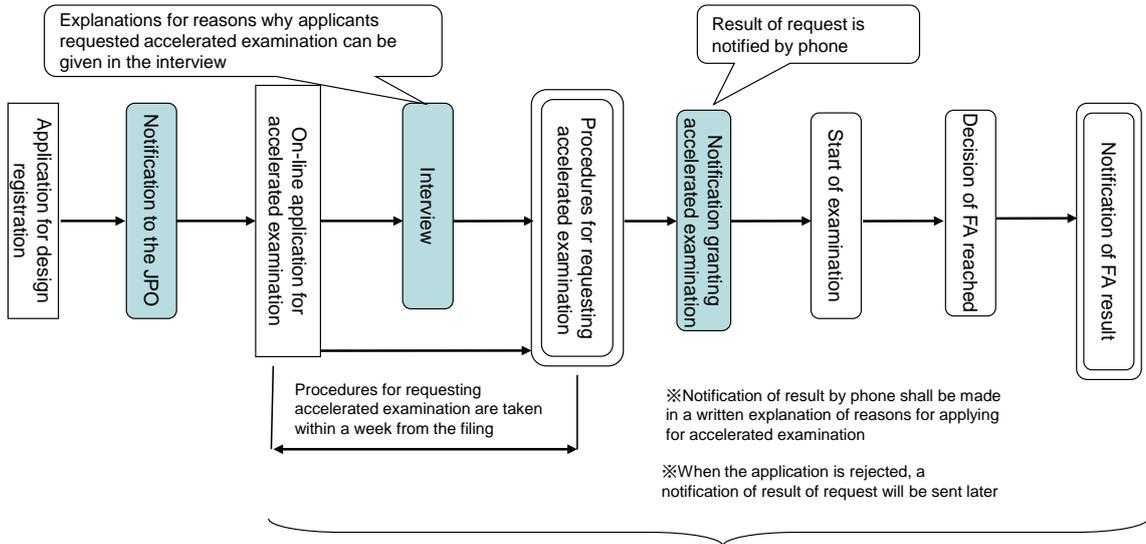
Under this system, if counterfeiting is known to be occurring, the first notice of examination results, i.e., the first action, will be made within one month from the time the applicant submits a request for accelerated examination, as long as no issues have been found in the application. Sixteen requests were made for accelerated examinations due to counterfeiting in 2013, and the average period of time, from the time the requests were made until the notices of first action were sent was 0.8 months.

In addition, an Earthquake Disaster Recovery Support Accelerated Examination System was introduced in August 2011 to examine applications as soon as possible for design registrations filed by companies damaged by the Great East Japan Earthquake. This system accepts applications filed by persons who suffered from the damage caused by the Great East Japan Earthquake and have an address or domicile in the areas<sup>1</sup> covered under the Disaster Relief Act.<sup>2</sup> Thirteen requests for Earthquake Disaster Recovery Support Accelerated Examination were made in 2013, with the average period of time, from the time when the requests were made up to the time the notices of first action were sent, was 2.4 months.

<sup>1</sup> Except Tokyo Prefecture

<sup>2</sup> Act No.118 of 1947

Figure 2-2-5 Outline of accelerated examination system designed to respond to anti-counterfeiting measures



A FA result is notified within one month from the time the applicants request accelerated examination, based on the condition that counterfeit products are already being produced.



## Chapter 3

### Initiatives on Trademarks

In recent years, trademarks are playing a greater role in terms of economic globalization and diversified sales strategies of goods and services. This is due to the rapid growth of the Internet and strengthened competitiveness of Japanese industries. Moreover, the landscape surrounding trademarks is changing day by day in response to the ever-changing economy and society, and to international harmonization of intellectual property rights. The JPO has been implementing various initiatives so as to appropriately protect trademarks and improve user-friendliness in response to these conditions.

This chapter introduces initiatives that the JPO is implementing in order to improve the convenience of users in Japan and the Republic of Korea, respond to changes in the international classification of goods and services, conduct PR activities on the international registration system, conduct accelerated examination to meet the needs for early registration of trademarks, enhance the regional collective trademark system to protect regional brands under the trademark system, and to improve the quality management of trademark examinations.

#### 1. Project between the JPO and the KIPO to Create and Publish Tables Corresponding to Japanese and Korean Similar Group Codes

##### (1) Similar Group Codes Used by the JPO

###### 1) Similar Group Codes

No trademark can be registered if it is identical with, or similar to, another person's registered trademark, and if the designated goods and/or designated services connected with the application are identical or similar (Trademark Act Article 4(1)(xi)).

The JPO, in examining whether trademarks filed for registration have any reasons for refusal, determines the similarity between designated goods or designated services of the trademark and designated goods or designated services of another person's registered trademark based on the Examination Guidelines for Similar Goods and Services.

The Examination Guidelines for Similar Goods and Services group goods that have common manufacturing departments, sales departments, raw materials, and quality or services that have common means of provision, purposes, and places of provision. Goods or services in one group are, in principle, assumed to be similar goods or services.

Similar group codes consist of 5-digit alpha-numeric codes. They are assigned to goods and services of each group.

In terms of examination practices, goods and services that have same similar group codes are assumed to be similar to each other.

<Examples of similar group codes>

##### a. Similar Group Codes of Goods and Services

(Examples of Similar Group Codes of Goods)

Class 16: Books (26A01)

Class 24: Towels (17B01)

(Examples of Similar Group Codes of Services)

Class 41: Education and instruction services relating to arts, crafts, sports or general knowledge (41A01)

Class 44: Medical services (42V02)

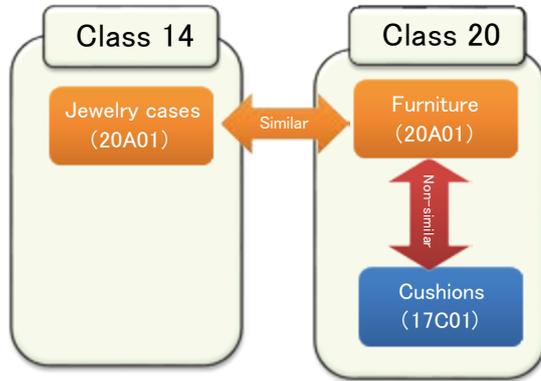
##### b. Non-similarity between similar goods or similar services; and similarity between non-similar goods or non-similar services

There are goods or services that are not similar, although they belong to the same class.

On the other hand, the same similar group code may exist not only in one class but also in different classes, and similarity may be found in goods and services that actually belong to different classes.



**Figure 2-3-1 Example of non-similarity between similar goods or similar services; and similarity between non-similar goods or non-similar services**



**2) Use of Similar Group Code**

Similar group codes are assigned to all designated goods and designated services and are used to search for the existence of any prior, registered trademarks, check of the scope of rights, check for any amendments to designated goods or designated services to eliminate reasons for refusal, and determine whether there is a conflict of rights with other persons' registered trademarks.

**(2) Creating and Publishing Tables Corresponding to Japanese and Korean Similar Group Codes (in conformity to the Nice International Classification (Edition 10-2014))**

The JPO and the KIPO are conducting a joint project to create tables corresponding to Japanese and Korean similar group codes (the "corresponding tables"). These corresponding tables describe the relationship of similar group codes used for trademark examinations by the two offices. (See (1) above.)

In December 2013, the JPO created and publicized a corresponding table that conforms to the Nice International Classification (Edition 10-2014), which came into effect on January 1, 2014.

Three types of corresponding tables were created, taking into account user-friendliness: 1) table corresponding to specific numbers in the Nice International Classification (See Figure 2-3-2), 2) table corresponding to similar group codes used by the JPO, and 3) table corresponding to

similar group codes used by the KIPO. These corresponding tables are available on the JPO website in PDF and in Excel.

Japanese and Korean users can refer to the corresponding tables before filing applications to register their trademarks. These tables improve the predictability of examination results and support proper filing strategies. Moreover, they also are expected to reduce the workload on examiners at the two offices. The JPO and the KIPO agreed to discuss enhancing these corresponding tables at the 25th JPO-KIPO Commissioners Meeting held on December 5, 2013.

**Figure 2-3-2 Table corresponding to specific numbers in the Nice International Classification**

Class	Basic No.	EN - Goods and Services NCL (10-2014)	Acceptable or not by the KIPO	Korean Translation	KIPO's similar group code	Acceptable or not by the JPO	Japanese Translation	JPO's similar group code
1	1013001	consulting professions (technical assistance to start-ups)	○	기술컨설팅서비스 제공	○W01	○	技術顧問業務	W1A01
2	1013002	advertising for industrial purposes	○	산업용 광고 서비스	○W02	○	工業用広告業務	W1A02
3	1013003	help for preparing, other than for households	○	비가정용 서비스 제공	○W03	○	비가정용 서비스 제공	W1A03
4	1013004	auditory aids for use with appliances	○	청각 보조 장치	○W04	○	청각 보조 장치	W1A04
5	1013005	calculator accessories	○	계산기 액세서리	○W05	○	計算機 액세서리	W1A05
6	1013006	air-filtrating solutions for appliances	○	공기 여과용 필터	○W06	○	空気ろ過用フィルター	W1A06

Items in the corresponding table

- Class: Class to which goods or services belong
- Basic No.: Specific number of goods or services assigned to goods and services in the Nice International Classification
- EN-Goods and Services NCL (10-2014): Indications of Goods and Services in English Listed in the Nice International Classification (Edition 10-2014)
- Acceptable or not by the KIPO:
  - = Indications of goods and services which are approved by the KIPO
  - × = Indications of goods and services which are not approved by the KIPO
- Korean Translation: Korean translation of goods and services corresponding to the alphabetical list
- KIPO's similar group code: Similar group code used by the KIPO which is assigned to goods and services
- Acceptable or not by the JPO:
  - = Indications of goods and services which are approved by the JPO
  - × = Indications of goods and services which are not approved by the JPO
- Japanese Translation: Japanese translation of goods and services corresponding to the alphabetical list
- JPO's similar group code: Similar group code used by the JPO which is assigned to goods and services

## 2. Initiatives in Response to Changes in International Classifications under the Nice Agreement

### (1) Nice Agreement

The Nice Agreement<sup>1</sup> was concluded with the aim of adopting a common international classification because it is more complicated to manage trademarks in terms of conducting prior trademark searches and following filing procedures to register trademarks due to differences in classifications of goods and services in every country. Under the Agreement, contracting states are obligated to adopt the international classification. Japan acceded to this Agreement on February 20, 1990<sup>2</sup> and has been using the international classification as its principal trademark system since April 1, 1992, when the trademark registration system was introduced.<sup>3</sup>

The number of states and regions participating in the Nice Agreement is 84 as of October 2013. However, the number of states including non-contracting parties and intergovernmental organizations such as the OHIM using the international classification of the Nice Agreement is more than 150.

### (2) International Classification

The international classification is a common international classification of goods and services for registering trademarks that are stipulated in the above-mentioned Nice Agreement. The original text is written in English and French.

The main parts of the international classification are as follows.

1) General remarks: They indicate the standards for cases when certain goods or services cannot be classified according to the list of classes, explanatory notes, and alphabetical lists.

2) Class headings: They indicate the fields of classes to which, in principle, goods or services belong, and describe the goods (Class 1 - Class 34) and services (Class 35 - Class 45).

3) List of classes with explanatory notes: This list specifies the classes of goods and services and consists of the class headings and explanatory notes.

4) Alphabetical list of goods and alphabetical list of services: This list provides the names of goods and services, respectively, and the classes to which each of these goods or services belong, in alphabetical order.

### (3) Japan's Response to Changes in the International Classification

The Committee of Experts stipulated in the Nice Agreement is responsible for making changes to the International Classification. These changes are divided into "amendments"<sup>4</sup>, which refer to any changes in classes or additions of new classes; and into "other changes"<sup>5</sup>, which refer to changes to the list of classes that include explanatory notes, as well as additions, deletions, and changes in the goods or services on the alphabetical lists.

At the 23rd Session of the Committee of Experts held at the WIPO in April 2013, the participants discussed the above-mentioned "amendments" and "other changes" of the Nice International Classification, finally deciding to delete cross references<sup>6</sup>. The new 10th edition which reflected the decisions made at the 23rd Session of the Committee of Experts about "other changes" and the deletion of cross references

<sup>1</sup> The official name of the Nice Agreement is "Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957, as revised at Stockholm on July 14, 1967, and at Geneva on May 13, 1977, and amended on September 28, 1979."

<sup>2</sup> In those days, the international classification was used as a secondary system (The international classification was used in document searches, etc. by describing class numbers of the international classification in official documents and official publications, (e.g., trademark gazette, trademark registration registers) concerning mark registrations.)

<sup>3</sup> Class numbers of the international classification are described in official documents and official publications concerning mark registration and the international classification is used as a principal classification in document searches, etc.

<sup>4</sup> They are reflected when the classification is updated every five years. Next amendments will be issued in the 11th Edition which is scheduled to be issued in 2017.

<sup>5</sup> They are reflected in a new additional edition which is issued every year.

<sup>6</sup> Indication in which word orders are inverted so that the main words indicating the goods or services are placed at the top (e.g. Skin care (Cosmetic preparations for -))

were issued as the 10th Edition, version 2014 on January 1, 2014. The JPO, in order to comply with the international classification, formulated the Appended Table of the Ordinance Enforcing the Trademark Act (Ministerial Ordinance of METI No.58 of 2013, promulgated on December 2, 2013) that stipulates the goods or services belonging to the goods and services classification. It came into force on January 1, 2014.

Moreover, the Examination Guidelines for Similar Goods and Services were also amended in response to this amendment to the Appended Table of the Ordinance Enforcing the Trademark Act.

The major additions and deletions in the International Classification 10th Edition, version 2014 are as follows.

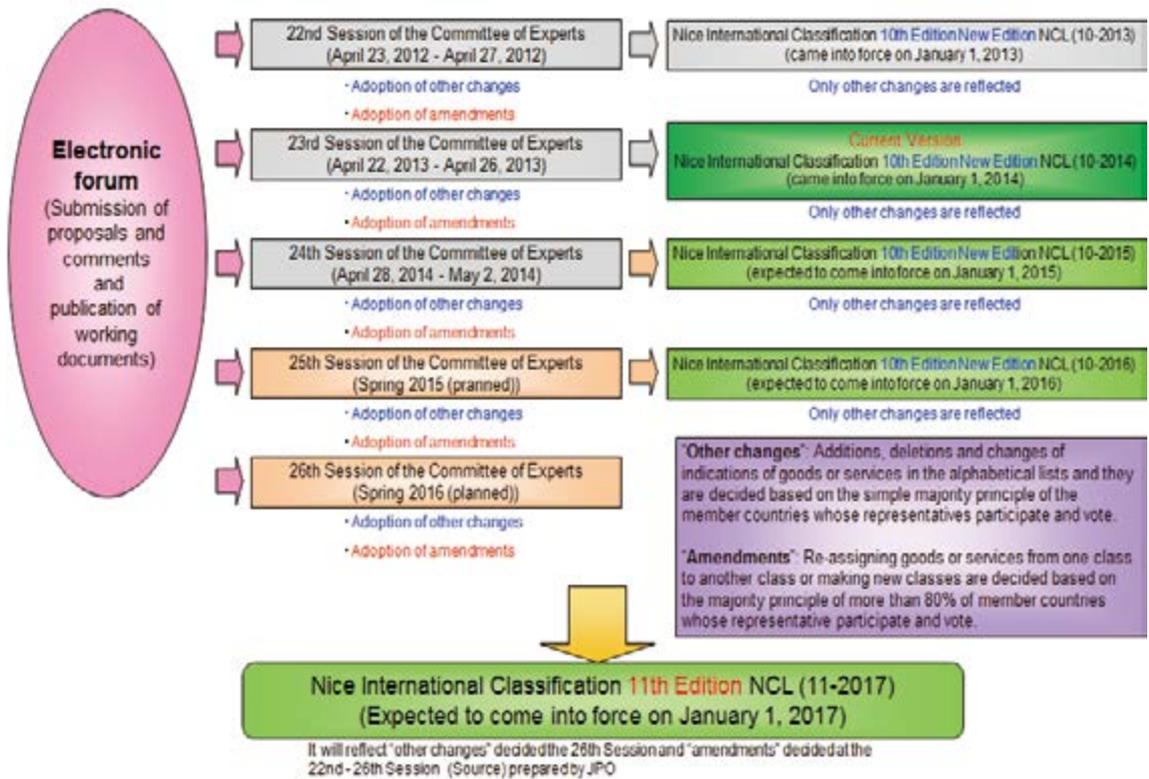
**Addition**

- Class 3: Bath preparations, not for medical purposes
- Class 9: 3D spectacles
- Class 28: Ball pitching machines
- Class 42: Cloud computing
- Class 45: On-line social networking services

**Deletion**

- Class 30: Pastry
- Class 41: Videotape film production

**Figure 2-3-3**



### 3. PR Activities for the International Registration System (Madrid Protocol)<sup>1</sup>

In January 2013, the JPO gave a lecture in Myanmar outlining the procedures for filing applications to register trademarks under the Madrid Protocol, in order to share the knowledge and experiences of Japan in this regard, and supporting Myanmar's initiative for its accession to the Madrid Protocol. In addition, the JPO welcomed an investigation team consisting of government officials from Myanmar in May 2013. The JPO took the investigation team to the office where applications for international trademark registrations are filed, an area of interest to the team, and explained examination practices.

In addition, in September 2013, the JPO invited government officials such as trademark examiners from the ten ASEAN-member countries to Japan in order to support their countries' accessions to the Madrid Protocol. The JPO provided a one-week training course called the ASEAN Madrid Protocol Practical Course that specialized in the Madrid Protocol system. This training included lectures on rules of the Madrid Protocol system, formality check practices, substantive examination practices and OJT. During this training, the JPO explained about JPO's experience in acceding to the Madrid Protocol and offered advice on how to effectively utilize the system. In addition, the participants exchanged information on the progress that each of the countries is making towards acceding to the Madrid Protocol. In October 2013, the JPO received an investigation team from Cambodia, including the Vice Minister for Commerce, in order to introduce the JPO's

administrative duties related to the Madrid Protocol.

These activities are expected to help Asian countries accede to the Madrid Protocol and encourage Japanese users to further expand their trademarks overseas based on the system.

In Japan, a lecture called International Applications was given at the Yokohama IP Seminar held in June 2013, and another was given at the Shinagawa IP Seminar held in November 2013, for owners of SMEs and persons who are involved in IP. These lectures gave the attendees basic knowledge on how to run business by making use of IP. In September and October 2013, explanatory meetings titled "Application Procedures under the International Registration System of Trademarks (Madrid Protocol)" were held in Tokyo, Osaka and Nagoya. In these seminars, the outline of the Madrid Protocol system, the procedures for dealing with the JPO as an office of origin, the procedures to dealing with the International Bureau, and the procedures for dealing with the JPO as a designated office were explained and publicized for IP practitioners. At the explanatory meetings, the JPO distributed a brochure titled International Registration System for Trademarks (Madrid Protocol) outlining the procedures for filing under the Protocol. This brochure is also available on the JPO website.

Apart from these explanatory meetings, the JPO, along with the WIPO Japan Office, promotes the Madrid Protocol system by visiting industrial organizations and companies to collect user opinions about the usability of the system and to address their concerns with regard to the system.

Also, the JPO prepared a pamphlet titled "Guide for Using the Madrid Protocol International Registration System for Trademarks," which summarizes the key points of the Madrid Protocol system. The pamphlet is designed to help users easily understand the outline of the system. It is available at the JPO's counter, as well as the IP Comprehensive Support Counters and the regional patent offices set up in each prefecture, and they were distributed at the Explanatory Meeting on Intellectual Property Rights.

<sup>1</sup> Outline of the international trademark application system under the Madrid Protocol: Based on a trademark applied for or registered with an Office of one of the Contracting Parties (Office of origin), a request for designating an Office/Offices of Contracting Party (designated Office) for which protection is sought is filed for international registration with the WIPO International Bureau (IB) through the Office of origin. This application for international registration is registered in the International Register managed by the IB. The IB sends the notification of an extension to the designated Contracting Party to the designated Office. The international registration is protected in the designated Contracting Party unless the designated Office notifies reasons for refusal within one year or 18 months by declaration (18 months in the case of Japan).



Pamphlet: Guide for Using the Madrid Protocol International Registration System for Trademarks

## 4. Initiatives Involving Regional Collective Trademarks

### (1) Regional Collective Trademark System Introduced in 2006

In order to appropriately protect regional brands through trademark rights, the Trademark Act was amended in 2005 and the regional collective trademark system was introduced in April 2006. This system is aimed at stimulating local economies to achieve sustainable growth, by encouraging local cooperative business associations to actively make use of the system. This system enables trademarks which consist solely of a geographical name and a generic name of goods or services to be registered more speedily. It eliminates third parties from taking advantage of the reputations of the trademarks and is expected to provide an incentive for business operators conducting regional branding activities to register their trademarks and, consequently, to stimulate the economies of their respective regions. Furthermore, it is expected that each regional brand that is in the development stage will be widely recognized throughout the nation based on the regional collective trademark system and thorough brand management.

The utilization of regional collective trademarks is thought to bring a wide variety of benefits. There are five major benefits.

The first benefit is the rise in income that results from higher sales or selling prices of goods and services brought about by regional collective trademarks. Increased brand values are expected to have positive effects on the

prices of goods and services, and thereby improve income by granting licenses to other persons.

The second benefit is the ability to combat counterfeit products. Acquiring regional collective trademarks allows rights holders to request injunctions against infringements and receive compensation for damage against parties that infringe the rights of similar products.

The third benefit is the ability to maintain and improve quality. Establishing standards for managing brands is expected to result in more thorough quality control of goods and services and improve production/manufacturing methods, including cultivation methods.

The fourth benefit is the ability to advertise goods and services so as to enhance their image. Thorough publicity activities for goods and services are expected to revitalize local economies, such as creating new sales routes for the goods and services, increasing their reputations, and activities which include holding events, utilizing mass media, developing new products, and collaborating with tourism projects.

The fifth benefit is greater motivation/participation by members of regional unions. When regional union members, who include producers, are aware that they have acquired interests in regional collective trademarks, their outlooks change. This leads to developing human resources and strengthening organization power of regional unions. Based on strengthened organizations, cooperative frameworks can be easily established inside and outside regions.

### (2) Applications and Registrations for Regional Collective Trademarks

#### 1) Status of Applications

Having started receiving applications for regional collective trademarks on April 1, 2006, the JPO has received 1,051 applications as of the end of December 2013. Looking at the number of applications filed by region, 44 were from Hokkaido, 84 from Tohoku, 101 from Kanto, 73 from Koshin-etsu, 73 from Hokuriku, 132 from Tokai, 277 from Kinki, 60 from Chugoku, 39 from Shikoku, 118 from Kyushu, 41 from Okinawa and 9 from overseas.

## 2) Status of Registrations

By the end of December 2013, the JPO had registered 554 regional collective trademarks. Looking at the number of registrations by sector, we can see that agricultural products, industrial products and processed food are the predominate type. There were 78 registrations for crafts, bags,

bowls and sundries; 55 for meat, beef and chicken; 52 for fabric, clothing and fabric goods; 50 for vegetables; and 50 for processed food.

Looking at the number of registrations by prefecture, Kyoto by far has the most, with 60 registrations; followed by Hyogo, Gifu, Ishikawa and Hokkaido.

**Figure 2-3-4 Breakdown of regional collective trademarks by product**

Unit: Applications

Vegetables	Rice	Fruits	Meat, beef and chicken
50	7	40	55
Fish & seafood products	Processed food	Milk and dairy products	Seasoning
38	50	5	15
Confectionaries	Noodles and grains	Tea	Liquors
11	11	15	13
Soft drinks	Plants	fabric, clothing and fabric goods	crafts, bags, bowls and sundries
1	3	52	78
Pottery and tiles	Toys and dolls	Buddhist shrines, Buddhist objects, funeral objects and furniture	Articles of precious metals, blades and tools
28	15	36	9
Lumber, stones and coal	Hot springs	Services (excluding hot springs)	
14	41	14	

Note: When one registration designates several goods, it is accounted for under each good.

## (3) Publicity Activities for the Regional Collective Trademarks System

In promoting the regional collective trademark system, the JPO has been holding seminars nationwide to explain the system and examination practices since 2005. With the aim of publicizing and promoting the use of the system, it also distributed an easy-to understand pamphlet on filing procedures and registration requirements for regional collective trademarks. In addition, in order to further expand the use of the regional collective trademark system, in December 2013, the JPO published a booklet entitled, "Regional Collective Trademark 2013," listing the goods and services that had been registered by the end of September 2013. The JPO conducts diversified publicity activities by distributing this booklet to prefectures, municipalities, commerce and industry associations, chambers of commerce, tourism associations, and rights holders, as well as to participants in the seminars on the regional collective trademark system.

This booklet includes ways that regional collective trademarks can be registered and

gives five actual examples based mainly on opinions of right holders who experienced the positive effects registering their regional collective trademarks. These effects included an improvement in brand recognition. In addition, the booklet explains the regional collective trademark system by using cartoons to help readers to easily understand it and introduces 551 regional collective trademarks, including the latest 32.



Pamphlet: Regional Collective Trademark Systems and Booklet: Regional Collective Trademark 2013

## **5. Quality Management of Trademark Examinations**

### **(1) Background of Initiatives on Quality Management of Trademark Examinations**

Maintaining and improving the quality of trademark examination enables trademark to be protected appropriately and maintains the business confidence of persons who use trademarks and protects the interests of consumers. It is essential to maintain and improve quality to ensure that business operators can run their businesses smoothly.

From years ago, the JPO has been continuously implementing initiatives to improve the overall quality of trademark examinations. It accomplishes this by having managers check the work done by examiners, revising the Examination Guidelines for Trademarks, and enhancing the search system in order to maintain and even improve quality. In FY2011, the Trademark Examination Quality Management Committee was launched in order to implement these initiatives in an organized manner. Further to that, the Conference of Representatives of Quality Management for Trademark Examinations was launched as its upper organization. This conference is responsible for evaluating the quality of trademark examinations and deciding principles for improvement.

In addition, since October 2013, a Trademark Examination Director Conference, consisting of management-level staff such as the Director-General of the Trademark and Customer Relations Department, the Director of the Trademark Division, and directors from trademark examination offices has been held every week to ensure that issues and proposals for improving the examination office are shared. Also, each Examination Office had active discussions about the quality of examination.

The JPO has been implementing initiatives to improve the overall quality of trademark examinations by the above system and will continue to establish necessary systems and take measures under the leadership of the directors, in order for each examiner to improve the quality of examination, staying aware of the problems involved.

### **(2) Initiatives**

#### **1) Analyzing Quality of Examination**

##### **a. Sample Checks of In-process Applications**

The JPO has been conducting sample checks of examination processes since FY2009. After FY2011, it has been randomly extracting applications covering specific periods of time and conducting sample checks of examination processes involving applications that were still under examination. If any sample check result shows the need for improvement, directors send feedback to the respective examiners to improve the quality of in-process examination documents.

##### **b. User Questionnaire on Individual Examination Results**

A questionnaire on specific trademark applications was conducted to gather feedback and opinions from users about the quality of examinations on specific applications. Specifically, opinions on the quality of trademark examinations were gathered to analyze the current status of examination processes and grasp problems from the viewpoint of users.

#### **2) Transparent Performance of Examinations and Promotion of Period Management**

##### **a. Sharing Information on Examination Processing Statistics among Individual Examiners**

A variety of statistical data is created on individual examinations based on information of their examination work and shown with the average of the entire Examination Departments. This allows examiners to actually visualize their examination performance.

##### **b. Initiatives for Preventing Delays in Processing Examinations**

The JPO has been preventing delays in processing examinations by providing statistics on finalized examinations, as a way of improving its capability to ensure thorough management from the time applications were received up to when examination was started. The aim is to further accelerate processing.

### 3) Raising Awareness on the Descriptions of Proper Indications of Designated Goods and Designated Services in Applications

In many cases, reasons for refusal such as inadequate descriptions of designated goods and services can be avoided, if applicants are able to obtain appropriate information in advance. The JPO has been providing information on examinations such as at meetings and giving updates on its website, mentioning important points applicants should remember about reasons for refusal such as the inadequate descriptions of designated goods and services. The JPO does this to make information widely available for the purpose of helping users to acquire rights smoothly.

### (3) Feedback

The JPO works to review issues based on analytical results of its quality initiatives, providing feedback on them to the Examination Departments and concerned departments and divisions, with a view to maintaining and improving the quality of trademark examinations in the future.

## 6. Implementation of Accelerated Examination Based on Applicant Needs

### (1) Expanded Scope of Accelerated Examination for Trademarks

In response to the needs for accelerated examination for applications that are confronted with counterfeiting or infringement cases, and to respond to the globalization of economic activities, the accelerated examination system for trademarks was introduced in September 1997.

Previously, applications eligible for accelerated examination used to be only those under "Scope 1" in Table 2-3-5. However, in order to expand the scope in response to greater demands for earlier acquisition of rights, in February 2009 the JPO expanded the scope of applications eligible for accelerated examination, adding Table 2. Moreover, in terms of intellectual property the JPO felt that it was necessary to support the reconstruction of the areas damaged by the Great East Japan Earthquake, and decided from August 2011 to temporarily expand the scope of applications eligible for accelerated examination to include those filed by companies located in the affected areas. For this category, the number of requests filed by the end of 2013 was 495.

**Table 2-3-5 Outline of Accelerated Examination for Trademarks**

	Applications subject to accelerated examination for trademarks	Use of trademark (or making preparations to use)	Urgency	Designated goods/services
Scope 1	Applicants or licensees already use or are making preparations to use their trademarks for designated goods/services, so they have urgent needs to acquire rights	○ Necessary	○ Necessary	When several goods (services) are designated, accelerated examination is possible if applicants use or are preparing to use any of the goods (services)
Scope 2 (February, 2009)	The trademarks designating only goods/services that applicants or licensees already use or are making preparations to use	○ Necessary	× Not necessary	Applications designating only goods/services in use or for which preparations are being to use

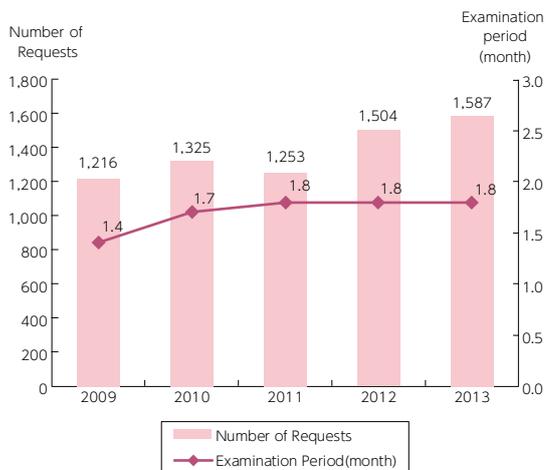
Note:

- Applications indicating urgent needs for acquiring rights in Scope 1 refer to applications that fall under any of the following conditions.
  - It is obvious that a third party without authorization is using a trademark or is preparing to use a trademark, for which an applicant or licensee has already filed an application to register, which is either identical or similar to that being used or being prepared to be used either on the actual or on similar designated goods or services of the applicant or licensee.
  - A third party warns the applicant about using the trademark being filed.
  - A third party needs a license for the trademark being filed.
  - The applicant had filed an application to patent offices or governmental offices other than the JPO.
- Applications falling under Scope 2 became eligible for accelerated examination system from February 2009.
- Whenever it has been determined that trademarks, for which applicants have filed applications to register, are not being used on or are not being preparing to be used on designated goods or services included within Scope 2, applicants must file amendments either before or at the time they request accelerated examination in order to have such goods/services eliminated from their applications.

**(2) Trends in Accelerated Examination for Trademarks**

In 2013, 1,587 requests were filed for accelerated examination (an increase of 5.5% from 2012). The average period of time from the date applicants requested accelerated examination to the date on which initial notices of examination results were sent was 1.8 months.

**Figure 2-3-6 Changes in the Number of Requests for Accelerated Examination and Length of Examination Period**



**Note:**  
 Examination period: The period of time starting from the date on which applicants file applications up to the date the first office action is issued.



## Chapter 4

### Initiatives on Trials and Appeals

Trials and appeals proceedings give higher-level decisions in regard to decisions of refusal made by examiners, serving to quickly settle disputes involving the validity of intellectual property rights. In order to ensure that trials and appeals effectively fulfill their roles, it is necessary to ensure that both the quality and speed of proceedings are maintained. To this end, the Trial and Appeal Department implements the following multi-dimensional initiatives.

#### 1. Initiatives to Improve the Quality of Proceedings

The JPO is further improving the quality of proceedings by actively communicating with the parties concerned, ascertaining and analyzing the trend in court decisions. The JPO strives to further rationalize the operations by actively utilizing the knowledge of industry and external experts.

##### (1) Improving Proceedings

The JPO has implemented the following four initiatives in trials and appeals to improve their quality.

##### 1) Communicating with the Parties Concerned

The JPO actively conducts oral proceedings in order to accurately understand and review issues, and raise the satisfaction level of the parties concerned in inter-partes trials such as trials for invalidation<sup>1</sup> and trials for rescission<sup>2</sup>. (Oral proceedings are conducted, in principle, in all trials for invalidation of patents and utility models.) Oral proceedings are held between the panel and the parties concerned in order to draw out the allegations of the parties concerned, which cannot be expressed in writing, and to understand and review the conflicting

<sup>1</sup> A trial requested with the JPO to invalidate any registered patent, utility model, design or trademark

<sup>2</sup> A trial to request rescission of any registrations in cases where a registered trademark is not in use or its right holder illegally uses the trademark

issues.

Moreover, the JPO established a trial and appeal court equipped with IT devices for the purpose of conducting oral proceedings more smoothly. These devices enable all the participants to accurately and expeditiously understand the documents and evidence presented by the parties concerned to give technical explanations and investigation records created by the panel.<sup>3</sup> The parties concerned can express themselves to their full extent.

Furthermore, in appeals against examiners' decisions of refusal,<sup>4</sup> interviews in the proceedings of appeals ensure smooth communications between demandants and the panel, and improve the quality of the proceedings. In addition, the JPO has been utilizing the first action pendency to issue what is termed an "examiner's report of reconsideration before appeal proceedings"<sup>5</sup> as means for inviting the demandants to give their opinions on the reports written by the original examiners,<sup>6</sup> as required in making reconsideration reports<sup>7</sup>.

##### 2) Analyzing the Trends in Court Decision

In order to conduct accurate examinations, the JPO analyzes and shares the details of court decisions in lawsuits against trial/appeal decisions and the details of the effectiveness of rights in court decisions against infringement lawsuits. In addition, in trials for invalidation, the JPO obtains evidence related to claims of invalidation submitted in infringement lawsuits

<sup>3</sup> The Panel consists of three or five administrative judges who examine trial and appeal cases.

<sup>4</sup> A trial against an examiner's decision of refusal

<sup>5</sup> The procedure for notifying the demandant of the opinion of the examiner in the reconsideration by examiners before appeal proceedings

<sup>6</sup> The examiner who made a decision of refusal subject to request for the appeal against an examiner's decision of refusal

<sup>7</sup> When an amendment has been made to the scope of claims at the time an appeal against an examiner's decision of refusal is made, an examiner will examine the appeal, pursuant to Article 162 of the Patent Act. This examination is called a "reconsideration by examiners before appeal proceedings". If the examiner determines that the decision of refusal is to be upheld in spite of the amendment being made, the examiner will report this result to the Commissioner of the JPO. This is called a reconsideration report made to the JPO Commissioner in the procedure of reconsideration by examiners before appeal proceedings.

by exchanging information with the courts, confirming with parties concerned, and utilizing such information in the proceedings.

### **3) Sharing Experiences of Directing Proceedings**

With the aim of utilizing the experiences of chief administrative judges who have abundant experience in proceedings for trials for invalidation and oral proceedings, the JPO is improving the quality of proceedings by inviting them to participate in panels across their respective fields and have them share their knowledge in how to direct proceedings in difficult, special cases.

### **4) Contributing to Maintenance and Improvement of the Quality of Examination**

The Trial and Appeal Department exchanges information with the Examination Departments by providing feedback on the results of trials/appeals and exchanges opinions with them at meetings. The Trial and Appeal Department as higher authority works to maintain and improve the quality of examination.

### **(2) Further Rationalizing Proceedings Utilizing External Knowledge**

In further rationalizing the proceedings by utilizing the knowledge of industry and external experts, the JPO has initiated the following two initiatives.

#### **1) Executive Legal Advisor on Trials and Appeals**

Since the end of FY2007, the JPO has recruited former experienced judges and academic experts in the IP field to serve as executive legal advisors on trials and appeals. They provide advice on complicated legal issues and serve as instructors for training. In addition, the executive legal advisors on trials and appeals give direction to the future role and operations of the trial and appeal system, so that the Trial and Appeal Department will function more effectively.

#### **2) Consultants on Trials and Appeals**

The JPO utilizes consultants with legal qualifications on trials and appeals in order to

obtain referential opinions on oral proceedings and know the details of notices of proceedings and minutes based on external viewpoints. It also does this to provide chief administrative judges who directed oral proceedings with feedback, which is used to further improve the level of satisfaction of parties concerned and ensure transparency of proceedings. Moreover, the JPO holds the proceedings by actively utilizing consultants for trials and appeals based on consultations from both civil and legal aspects.

## **2. Initiatives to Speed-up Proceedings**

The JPO has been doing the following for inter-partes trials and ex-parte appeals to ensure that proceedings will be expeditious in settling disputes and granting rights.

### **(1) Expeditious Resolutions of Disputes: Post-grant Trials**

To settle disputes expeditiously, the JPO gives priority to cases in which the validity of post-grant rights is being fought over in trials for invalidation.

In addition, in FY2010, the JPO started issuing Notices of Proceedings Matters<sup>1</sup> in order to provide the details of the proceedings in advance of the oral proceedings, enabling the parties concerned to make allegations and show absolute proof at the oral proceedings. This improves and shortens the proceedings.



<sup>1</sup> A Notice of Proceedings Matters is provided to the parties concerned prior to the oral proceedings for the purpose of informing the parties of the matters that are expected to be examined at the oral proceedings, urging the parties to prepare a written summary of their statements for oral proceedings based on the matters reported. This helps to make the oral proceedings go smoother and establish the necessary criteria for making decisions.

## (2) Expeditious Acquisition of Rights: Pre-grant Appeals

The JPO conducts accelerated appeals trials based on defendants' requests, giving priority to cases involving examiners' decisions of refusal, which satisfy specific requirements<sup>1</sup>. The number of requests for accelerated appeal examinations in FY2013 was 153 for patents, 1 for designs, and 8 for trademarks. With regard to patents, the JPO accomplished the mark of FY2013 to send decisions within 10 months at the end of FY2013.



<sup>1</sup> Patent appeals against examiners' decisions of refusal (for applications that satisfy any of the following requirements) are subject to this system: 1) Working-related applications whose demandant has already commercialized the invention, 2) Internationally filed applications that have also been filed in a foreign patent offices, 3) The demandant is either an SME, individual, university, TLO, or a public research institution, 4) A person who is not the demandant, i.e., a third party, has used the invention for business purposes after laying open the patent application of the proceeding case, 5) Patent Applications for green-related inventions (inventions designed to conserve energy, reduce CO<sub>2</sub>, etc.), and 6) Patent applications relating to the Act on the Promoting the Establishment of Business Operations in Asia. Appeals against an examiner's decision of refusal in regard to designs and trademarks, which satisfy the same requirements for accelerated examination, are subject to this system. Moreover, applications whose demandant suffers from damage caused by the Great East Japan Earthquake are subject to the Earthquake Disaster Recovery Support Accelerated Appeal Examination.

## 3. Initiatives for Strengthening Global Cooperation

The JPO endeavors to strengthen global cooperation by exchanging information on trials and appeals with foreign IP offices.

### (1) The People's Republic of China

In November 2013, the JPO made a visit to the Re-Examination Board of the SIPO (equivalent to the Trial and Appeal Department of the JPO) to collect information on bilateral cooperation in the field of trials and appeals and the trial and appeal systems of the two countries. At the JPO-SIPO Commissioners Meeting held subsequently, the two offices agreed to hold the JPO-SIPO Meeting of Experts on Trials and Appeals on a regular basis to deepen the exchange of information between Japan and China.

### (2) The Republic of Korea

The JPO held the fourth JPO-KIPO Meeting of Experts on Trials and Appeals in July 2013 in Tokyo to exchange the latest information on the trial and appeal systems of the two countries, agreeing to implement the International Administrative Judge Exchange Program.

In response, for the first international administrative judges' meeting, administrative judges were sent from Japan to the Intellectual Property Tribunal of the KIPO (equivalent to the Trial and Appeal Department of the JPO) in November 2013 to hold discussions on oral proceedings and investigate the practices of trial and appeal proceedings.

Additionally, the first Trilateral Appeal and Trial Expert Group Meeting was held in Tokyo in August 2013, with the aim of promoting mutual understanding and exchanging information on trials and appeals among the JPO, the KIPO and the SIPO.

## Chapter 5

### Initiatives to Enhance the Use of Information Technology

This chapter introduces initiatives for IT (Information Technology) up until now, system development in the future and international initiatives through IT, regarding initiatives in respect to IT which supports the JPO's operations.

#### 1. Initiatives to Enhance the Use of IT by the JPO

This section introduces initiatives with regard to IT which so far has been achieved, including the Paperless initiative. Furthermore, this introduces a policy with regard to the JPO system development for the future.

##### (1) Introduction of the JPO's Systems

The JPO, anticipating other countries, formulated the "Paperless Project" to realize comprehensive computerization and database systems for overall patent administrations in 1984. The Paperless Project computerizes overall patent administrative activities and maintains a database. The JPO has introduced various systems such as the world's first electronic filing system<sup>1</sup> in 1990, which utilizes information technology.

##### 1) Electronic Filing System

After the JPO introduced the electronic filing system to handle applications of patents and utility models in December 1990, it undertook various initiatives such as expanding the number of applications eligible for electronic filing and introducing new communication technologies.

Based on this, the various efforts made by the JPO since the electronic filing system was introduced have borne fruit, and the electronic filing rate has been high; for example in 2013, it was 98.2% for patents/utility models, 92.5% for designs, 82.4% for trademarks, 99.4% for ex-parte

appeals, 99.9% for PCT applications in the national phase, and 95.9% for PCT applications. The JPO has continuously accepted electronic applications 24 hours a day, 365 days a year (excluding the downtime for maintenance) since October 2005 when it started to accept applications via the Internet.

##### 2) Administrative System

The administrative system is roughly divided into the "administrative processing system" that handles electronic-based administrative procedures of file wrappers, from applications for patents, utility models, designs, and trademarks, to publications of applications in the bulletin and the "peripheral examination assistance system" for substantive examinations.

The administrative processing systems of file wrappers consist of a filing system that receives application data/receipts online, a formality check system that conducts formality checks both automatically and manually, and an original record management system that stores and manages application data, etc. This system has been improved as necessary. Among them, those involving patents and utility models started to operate in 1990 as the first electronic filing system, and those involving designs and trademarks in 2000.

The peripheral examination assistance system supports examiner's duties by managing cases subject to examination, draft and final decisions, and by approving and supporting examinations. This system started to operate in 1993 for patents/utility models and in 2000 for designs and trademarks as the administrative processing systems of file wrappers.

##### 3) Search System

Searching bulletins is necessary in order to conduct patent, trademark, and design substantive examination duties at the JPO.

The patent and utility model search system is used for patents and allows searches by search keys such as F-terms, FI<sup>2</sup>, and free words assigned to examination sources such as

<sup>1</sup> Electronic filing system was introduced in KIPO in 1999, and EPO and USPTO in 2000.

<sup>2</sup> It is an abbreviation of File Index and refers to an own classification of the JPO segmentalized based on the IPC.

bulletins according to technical characteristics, names of the applicants or inventors, titles of the inventions, and full text.

Moreover, the following search systems have been used: for the examination of designs, a design search system that enables searches using D-terms that segment the design classification by multiple points of view; for the examination of trademarks, a phonetic search system and a figure trademark examination system<sup>1</sup>, and the configuration of the well-known/famous trademarks database and search system.

## (2) Development of Future Systems at the JPO

### 1) Background of Formulating the “Plan for Optimization of Operations and Systems of the JPO”

As mentioned in the section above, the JPO has actively promoted computerization, achieving efficient processing, and prompt and accurate examinations and proceedings. On the other hand, in order to ensure simple and efficient administration, the government summarized the “e-Government Building Program”, which was decided at the Chief Information Officer (CIO) Council in July 2003, and amended in June 2004. Based on the plan, the JPO formulated the “Plan for Optimization of Operations and Systems of the JPO” (hereinafter referred to as the “Optimization Plan”) in October 2004 to optimize its operations and entire system.

After that, the “Technological Verification Committee on the JPO’s Information System” (hereinafter referred to as the “Technological Verification Committee”) verified the efforts that the JPO is doing in developing the operations infrastructure system, the progress of the project etc. In January 2012, the Technological Verification Committee submitted a “Technological Verification Report” and the JPO decided to discontinue the current projects and formulate a new system development project based on the report. A new system development project was designed based on the deliberations from a specialized technical viewpoint made by

the Technological Verification Committee utilizing knowledge of external IT vendors and publicized in March 2013 as the revised Optimization Plan (hereinafter referred to as the “Optimization Plan”), which was also based on public opinion.

### 2) Goals and Principles for Renovation of the Optimization Plan

The Optimization Plan advocates the following four goals, aiming to achieve them.

(i) To build the infrastructure essential for promptly establishing high-quality rights of the world’s highest standards, in responding to global environmental changes in a flexible and expeditious manner.

(ii) To ensure the capability of transmitting information is strengthened and the convenience of users is improved for the purpose of promoting innovation based on inventions, designs and brands.

(iii) To create safe and reliable systems and operations, in order to properly secure information and conduct sustainable business.

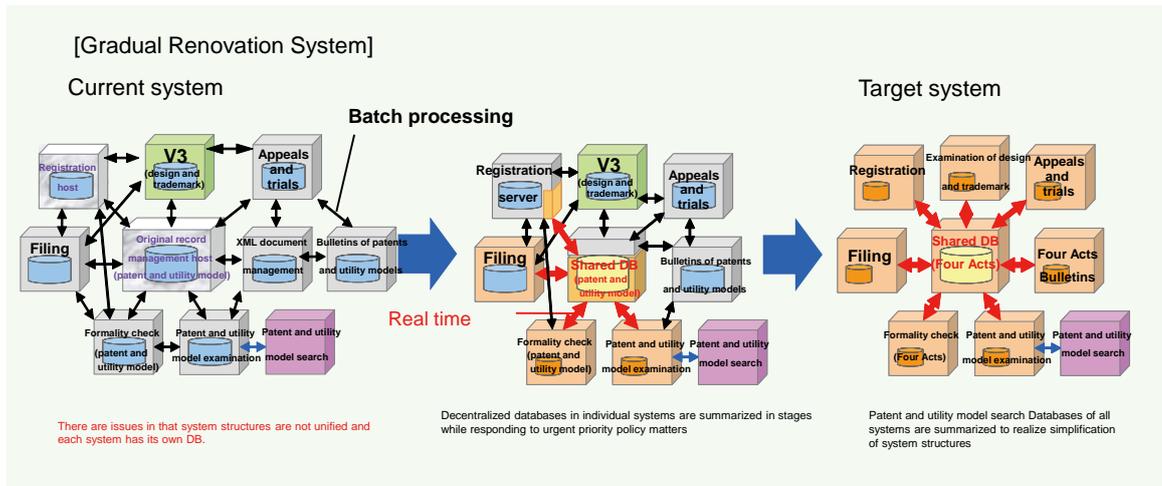
(iv) To review operations and system structures, in order to achieve the simplification, streamlining, rationalization and improvement of the quality of administrative operations and to cut system operation costs.

The Optimization Plan calls for upgrading the system structure in stages instead of renewing collectively in order to achieve the above-mentioned goals. This system<sup>2</sup> allows the JPO to respond to new and urgent policy matters to which it should give priority step by step such as technical documents of foreign countries such as China amid the IP landscape which is changing rapidly and significantly. Also, it allows the JPO to simplify the system structure for speeding up business processing and saving system operation costs.

<sup>1</sup> Searches are made by character string search, classification (figure term, Vienna figure classification (since April 2004)) and similar group code.

<sup>2</sup> A system proposed in the “Technological Verification Report” (January 2012) to achieve a simplified system structure by gradually summarizing decentralized databases in individual system and by responding preferentially to urgent policy matters step by step.

Figure 2-5-1 Basic Concept of Gradual Renovation



### 3) Process of Renovating JPO Systems in the Optimization Plan

With regard to the specific process of renovation, the Optimization Plan divides the overall 10-year process into the first five years (Phase I) and the next five years (Phase II), taking into account the scale and complexity of the JPO's systems.

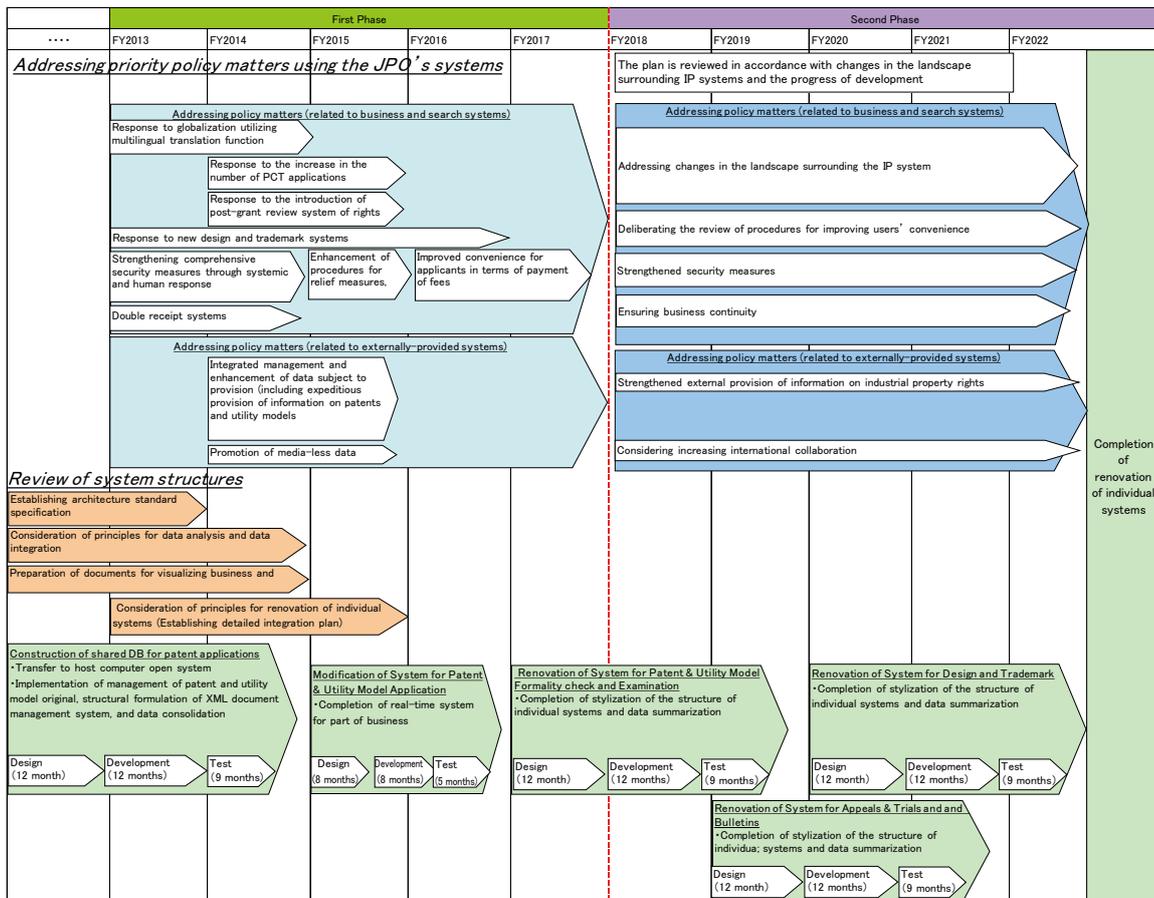
In Phase I, the JPO will address important policy matters that need to be implemented urgently using its systems such as strengthened search functions of patent documents written in foreign languages such as in Chinese and Korean, new design/trademark systems, responses to related duties using the JPO's systems based on deliberations about post-grant reviews, strengthened security measures, and construction of back-up centers for the filing system. Moreover, priority is given to simplifying the system structure and speeding-up external information provision services ahead of other issues in considering the JPO's principal duties involving patents and utility models, which have a significant impact on expeditious processing; and efficient renovation and cost cutting, as they account for a high percentage of weight in the JPO systems. Furthermore, system operational costs will be cut by gradually discontinuing the former (legacy) systems.

In the Phase II, the JPO will continue to address important policy matters that need to be addressed urgently, using its systems for the purpose of realizing the simplified system structure and expeditious external information

provision services for all duties including those for patents, utility models, designs, trademarks and international applications.



Figure 2-5-2 Schedule of the Optimization Plan



#### 4) Efforts for Implementing the Optimization Plan

Information Technology Promotion Headquarters of the JPO whose principal members are the Commissioner and the Deputy Commissioner who serves as Chief Information Officer (CIO) was established with a view to implementing the Optimization Plan so that decisions can be made under strong top management and projects can be promoted. Moreover, as explained in 2), the JPO adopts a Gradual Renovation System in the Optimization Plan and several system development projects will be implemented simultaneously. The JPO has, in response, established the JPO Program Management Office to steadily manage the progress of each project in view of the entire ongoing projects.

The JPO has made various efforts such as examinations focusing on the capability of executing projects in the procedures for tendering and the introduction of hearing before conducting a technical examination with the project manager,

with a view to selecting business operators equipped with high technical capabilities, when a business operator that takes charge of each system development projects is selected.

When business operations that take charge of each system development project are decided by bidding, the JPO gives priority to examination of their capabilities of enforcing projects in the bidding procedures for the purpose of selecting business operators with high technological capabilities and introduces interviews with project managers before conducting technical examinations.

In addition to the above-mentioned efforts, the JPO will steadily implement system development projects based on the Optimization Plan. In order to achieve this goal, the JPO thoroughly analyzes its duties through comprehensive documentation works of the current duties and ensures objectivity by establishing an external audit system based on audits conducted and advice given by the Technological Verification Committee.

## 2. Initiatives to Enhance the Global Use of IT

Patent offices have been making efforts to electronically manage documents related to applications and examinations, and strengthening the information system infrastructure which supports the examination procedures for the purpose of addressing the increasing number of applications filed globally and improving the efficiency of their procedure.

This section introduces the various international cooperative activities utilizing information technology (IT) conducted by the JPO in cooperation with overseas offices and Global Dossier, a recent effort towards providing useful IT-related services for users.

### (1) Various International Cooperative Activities Utilizing IT

#### 1) Electronic Priority Document Exchange

The JPO has been advancing an online, mutual exchange project for priority documents among the offices, in cooperation with the patent offices in other countries. Under this project, the Office of First Filing, instead of the applicant, sends priority documents to offices of other countries. This system significantly alleviates the workload placed on applicants and lowers their cost-burden in terms of submitting documents. It also reduces the workload at offices, too, in terms of issuing priority documents to applicants.

This electronic exchange of priority documents began bilaterally between the JPO and the EPO in January 1999, between the JPO and the KIPO in July 2001, and between the JPO and the USPTO in July 2007. Moreover, the JPO started this bilateral electronic exchange with the Taiwan Intellectual Property Office (TIPO) in December 2013.

Furthermore, in April 2009, the WIPO Digital Access Service (DAS) became available to exchange priority documents electronically among several offices via the WIPO. The JPO has participated in the DAS since April 2009 and has offered its service to applicants. From July 2012, a new DAS system with significantly-simplified procedures was launched. The JPO introduced this new system in March 2013. As of March 2014, the following countries and organizations are participating in the DAS system (in the order

of participation): the WIPO, the JPO, the United States, the Republic of Korea, Spain, the United Kingdom, Australia, Finland, Sweden, Denmark and the People's Republic of China.

### 2) Filing and Examination Information Reference System

In order to respond to the globalization of IP activities, it is necessary for IP offices to cooperate in the patent examination process by mutually utilizing examination results and/or prior art search results. Under such circumstances, the JPO has worked to develop a system that can be used to share filing and examination information (Dossier information) among offices, in order to enable patent examiners to refer to search/examination results and filing status information in other countries by using IT.

The Trilateral Offices (EPO, JPO and USPTO) have advanced a project to establish a system which allows the examiners of each office to access Dossier information on patents owned by them through a dedicated network line. This system was launched by the Trilateral Offices in 2006, and the KIPO also joined this project in 2007.

In order to further expand such mutual reference network of Dossier Information and improve its usability, the JPO took the lead under the IP5 Offices (EPO, JPO, KIPO, SIPO and USPTO) framework in a project to build the One Portal Dossier (OPD) that collectively displays Dossier information of related applications filed in several countries. The OPD was developed under the cooperation of the IP5 Offices and was launched in July 2013. Through the OPD system, the JPO's examiners have accessed filing and examination documents owned by other offices of more than 400,000 applications by March 2014.

As a pilot project for expanding the mutual reference network of Dossier information, the JPO has developed a linkage system between the JPO's OPD and WIPO-CASE (Centralized Access to Search and Examination), which is a Dossier information sharing system empowered by the WIPO. The linkage system was launched in March 2014.

In addition, at the JPO, Dossier information is translated into English by machine

translation and provided to 64 patent offices (as of March 2014) through the AIPN using the Internet.

It is expected that, for example, when the PPH is used, the ability to refer to examination history of applications filed to the JPO during the examination process at foreign patent offices improves the efficiency and quality of examination at the offices concerned. It is also expected that it enables Japanese applicants to obtain rights appropriately in other countries, contributing to their smooth economic activities.

### 3) Advanced Search Environment

In the examination process for patent and other rights, "absolute novelty" is adopted as a standard for judging the novelty in almost all major countries. Therefore, it is necessary to investigate documents not only in one's own country but also worldwide. To achieve this, it is necessary to advance cooperation in examination, to unify the scope of document data owned by worldwide offices and to pursue the sophistication of a search platform enabling global work sharing. In order to solve this issue, discussions have been held repeatedly in the IP Five Offices. In 2008, the Common Documentation project to build a search database was proposed so that examiners in other offices can access the same scope of document data. In 2009, as the core activities of the project, the IP Five Offices agreed to consider creating lists of common document sets (authority files), exchanging data among the offices without using CDs or any other recording media (media-less data exchange) and establishing "intelligent documentation" that allows users to search information on chemical structural formulas and numerical formulas. In February 2013, the IP Five Offices completed creating authority files and in March 2013, the JPO deployed a FTP server as a first step toward media-less data exchange through the Internet.

### 4) Supporting Emerging Countries in Terms of IT

Emerging countries such as Asian countries are becoming more important for Japan as growing markets and manufacturing bases. Therefore, it is essential not only to request these countries to confront problems related to IP such

as counterfeiting and piracy but also to support building infrastructures that protect IPs.

In addition to cooperation in the area of human resource development and examination, the JPO, in cooperation with the WIPO and other organizations, has been focusing on building IT infrastructures in the emerging countries, such as building intra-office databases and a platform for dissemination of IP information. Furthermore, the JPO sends experts to assist in building their IT infrastructure.

### (2) Global Dossier

The Global Dossier Initiative aims to construct an IT infrastructure based on the international efforts made in the past and their achievements for the purpose of providing various services which are expected to be helpful not only for examiners and other officials of IP offices but also for all users who engage in IP such as applicants and the public.

Because of recent globalization of business activities, the number of applications filed worldwide has been increasing year by year, and accordingly users' needs have become more diverse. Under these environmental changes surrounding IP offices, in June 2012, the JPO and the USPTO presented the Global Dossier Initiative at the Meeting of IP5 Offices with the aim of speeding up the acquisition of results of activities related to IT, reviewing them in a way that they contribute to more users who engage in IP, and converting them into more effective activities by setting comprehensive goals for IT-related international projects. The IP5 Offices agreed to promote the Global Dossier Initiative at the meeting taking into account users' needs.

For example, the Global Dossier Initiative intends to expand the Dossier information sharing networks made mainly of the "one portal dossier (OPD)<sup>1</sup>" and to establish a common virtual system in which many users including applicants and the public can easily access necessary data.

<sup>1</sup> See Part 2, Chapter 5, 2(1), 2).

## Chapter 6

### Support and Initiatives on SMEs, Local Communities and Universities

The JPO has given support to users such as SMEs, local regions and universities from various aspects by providing information on intellectual property, fee reductions, consultations, etc. This chapter introduces the outline of these various types of support.

#### 1. Support by Providing Information

##### (1) Global IP Data Bank<sup>1</sup>

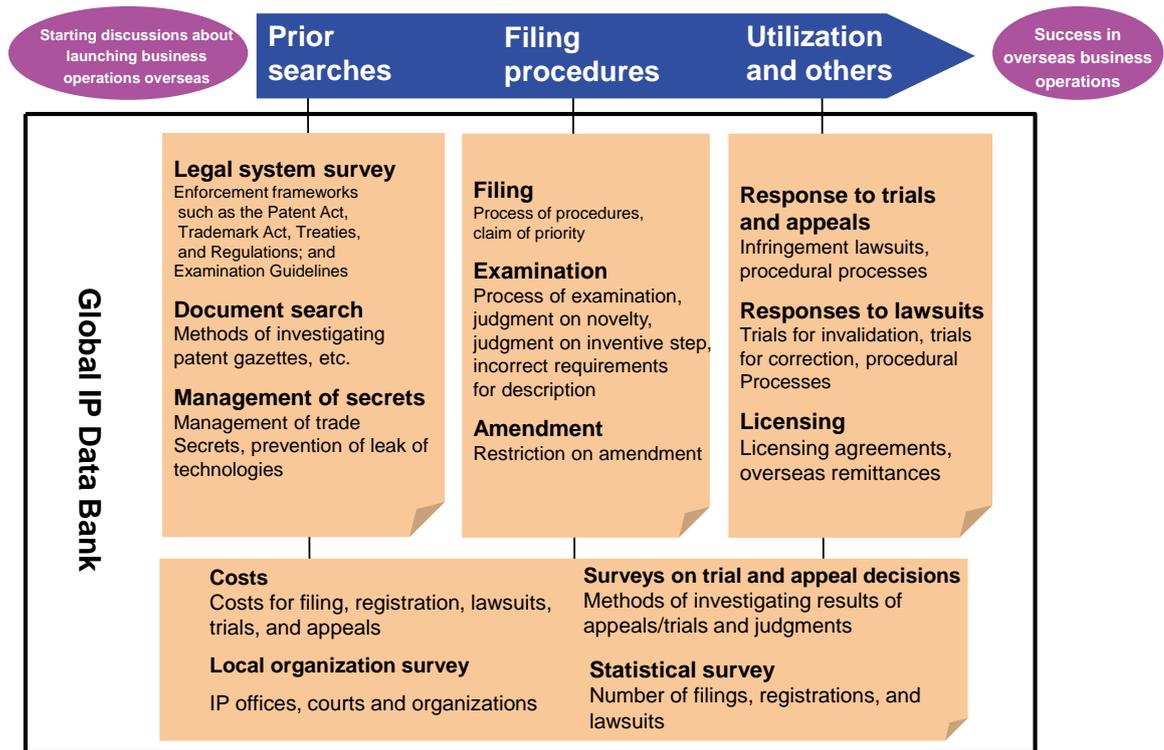
Global IP Data Bank is a website to provide persons in charge of legal affairs and IP at Japanese companies that operate in emerging countries with a wide variety of information on

IP in each country.

It provides information to users in order for them to avoid or eliminate IP risks overseas, which might arise in their business dealings such as importing products, exporting products, investing in overseas companies, providing overseas companies with technologies and licenses, establishing production and sales facilities overseas, and dealing with overseas companies in the future.

The JPO collects information found in books, magazines, the Internet, etc. and writes articles, after analyzing and reviewing the information by conducting surveys on domestic and global companies and law firms; and by collecting information in collaboration with overseas patent firms.

Figure 2-6-1 Image of Global IP Data Bank



<sup>1</sup> <http://www.globalipdb.jpo.go.jp/>

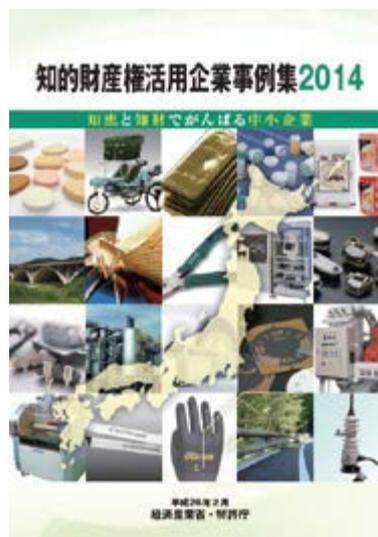
## (2) Publication of 2014 Collection of Outstanding Companies Utilizing Intellectual Property Rights: SMEs Focusing on Wisdom and IP

SMEs in Japan form the backbone of the Japanese economy and support its growth as the leaders of creation, innovative technologies, and local economies.

A number of SMEs have acquired the highest market share in their fields and operate in overseas markets including Asia where there has been remarkable economic growth achieved by protecting and utilizing creative technologies, designs, and brands as intellectual property rights.

The JPO published the 2014 Collection of Outstanding Companies Utilizing Intellectual Property Rights: SMEs Focusing on Wisdom and IP in February 2014 to share information on initiatives that SMEs have undertaken. The success of SMEs is a result of their own wisdom and intellectual property rights, and has enabled them to prosper. This information is available to the public and serves as a useful reference for existing and future small business owners.

This collection of case examples outlines the initiatives undertaken by 139 companies, categorizing them by line of business to enable readers to search each issue by index so that they can read about companies that have faced issues similar to their own. It is distributed at the nationwide IP comprehensive support counters in order to be available to as many SMEs as possible. These cases showing how many SMEs have utilized intellectual property rights have encouraged other SMEs to discover new technologies, serving as a springboard for new IP strategies and business activities.



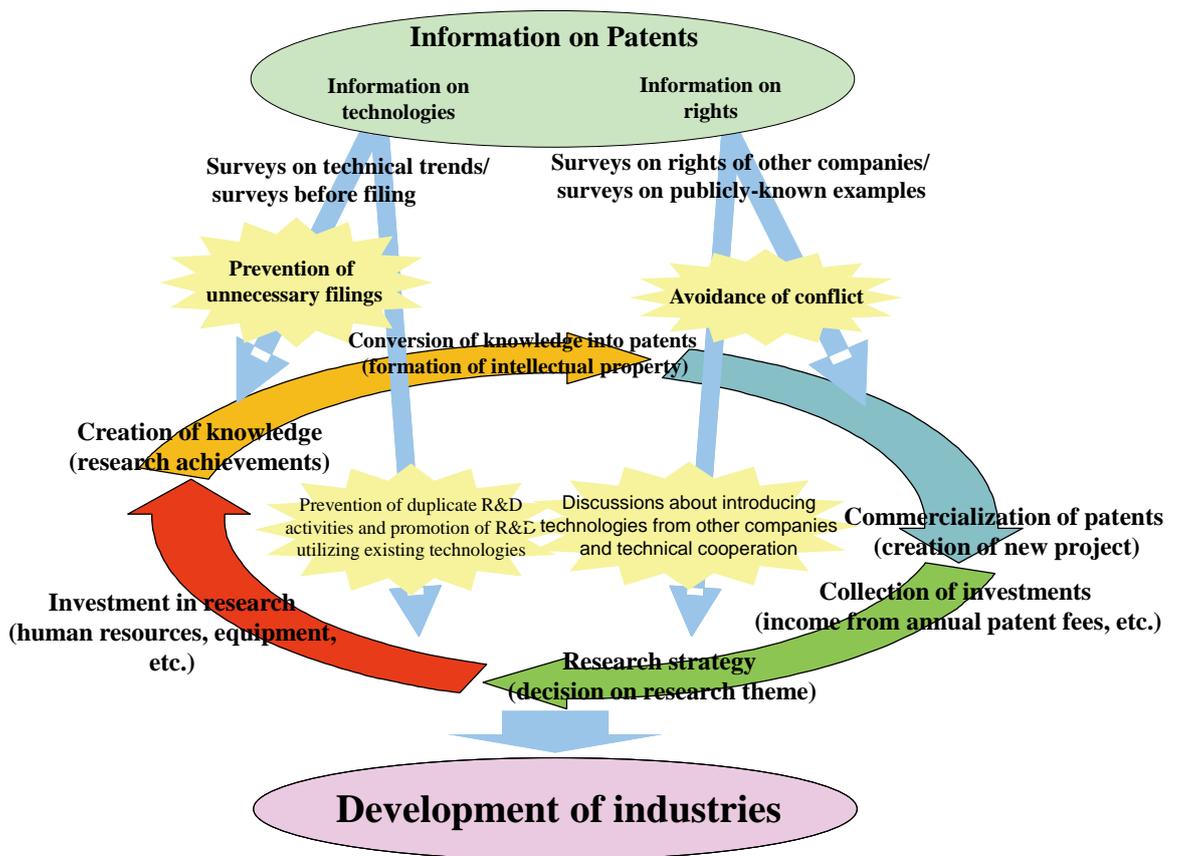
2014 Collection of Outstanding Companies Utilizing Intellectual Property Rights

## (3) Providing Information on Industrial Property Rights

### 1) Industrial Property Right Information

Information on industrial property rights is created from the time when applicants file applications for patents, utility models, designs, and trademarks; up to when they acquire those rights. Such information plays an important role in helping companies and research institutes to understand trends in R&D activities, designs, and technologies; and market trends in goods and services. The information helps them avoid performing duplicate R&D activities, promotes more R&D activities based on their utilizing existing technologies, and helps avoid unnecessary conflicts through the effective utilization of industrial property right information. The effective use of information on industrial property rights is a major element in the intellectual creation cycle in which IP is created, protected and utilized. Information on patents, such as patent gazettes, is created as the result of applicants' filing patent applications and acquiring rights. This types of information especially becomes the basis of all information on industrial property rights because it has both information on technologies and information on rights.

Figure 2-6-2 Intellectual Creation Cycle and Information on Patents



#### a. Information on Technologies

The patent system of Japan is based on the first-to-file system. Therefore, technologies developed by companies, universities, and research institutes are contained in patent applications filed as soon as possible and disclosed to the public after a certain period of time. Information on patents becomes a huge source of information on technologies and enables users to learn information on state-of-the-art technologies in a comprehensive and expeditious manner. Applicants must describe the details of their inventions (technologies) in the documents that they file. Moreover, the International Patent Classification (IPC), which is an international common classification system; and the FI/F-term, which is a classification system unique to Japan and more segmentalized, are assigned to patents information depending on the technical content. By accessing information on patents based on these classifications, users can systematically gather information on technologies.

#### b. Information on Rights

Since patent gazettes published by the JPO outline the specific scopes of rights, everyone can easily understand any linkage or connection between their own rights with those of competitors in detail.

#### 2) Industrial Property Digital Library (IPDL)

In March 1999, the JPO launched the IPDL, which provides information on industrial property free of charge via the Internet, in order to develop a means in which information on industrial property can be more widely and easily used. Later, the INPIT took over management of the IPDL in October 2004, and the IPDL is currently accessible from the INPIT website.

The IPDL contains 98 million gazettes on patents, utility models, designs and trademarks published since the end of the 19th century; as well as gazettes published in other countries, allowing users to search related information such as the status of examinations, registrations and appeals and trials by document

number, classification and key words.

Moreover, new services and functions are added to the IPDL every year to improve usability and enhance services for users.

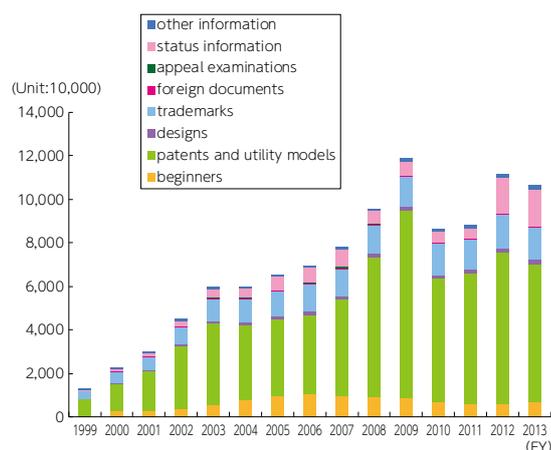
For example, in September 2013, the service of displaying Japanese abstracts of Chinese patents and English abstracts of Chinese patents (including figures), Japanese abstracts of Chinese utility models and English abstracts of Chinese utility models (including figures) on the same screen at once was added to the IPDL.

Moreover, in March 2014, the service of displaying and searching FI of Japanese abstracts of Chinese patents was added to the IPDL. It has now become possible to search Chinese patent documents by using texts and FI in gazette text search.

While the annual number of searches was about 12.7 million immediately after the launch of the IPDL (FY1999), the number of users has increased in line with the subsequent upgrading of services. In FY2013, the annual number of searches reached about 106.54 million (290,000 searches on average per day).

The creation, protection and utilization of intellectual property is expected to further progress in line with the increase in use of industrial property information via the IPDL.

**Figure 2-6-3 Change in the Number of Annual Searches in the IPDL**



Note:

The legends conform to the search categories of the IPDL.

### 3) Exchanging and Making Use of Industrial Property Right Information with Foreign IP Offices and International Organizations

The JPO regularly exchanges industrial property information data and gazettes based on an agreement with the IP5 Offices (JPO, USPTO, EPO, SIPO and KIPO) and on a bilateral basis with other foreign IP offices. The exchanged industrial property information is used for searching examination sources and prior arts in the JPO, with a part of this information being disclosed to the public through the IPDL and other means.<sup>1</sup> The JPO creates Japanese abstract data of foreign publications in Japanese, from the information exchanged for use inside and outside the JPO.

In addition, the JPO regularly provides foreign IP Offices and international organizations with industrial property information so that patent applications filed with the JPO can be properly regarded as prior arts in other countries.

At the Meeting of IP5 Heads of Offices held in June 2013, the five Offices agreed on the fundamental principle for providing information on patents at marginal costs<sup>2</sup> or without charge. The Five Offices shall continue to hold consultations on a specific method of concretizing this fundamental principle in the future.

### 4) Creating and Providing Standardized Data and JPO-format Data

Currently, the JPO creates various data, such as Standardized Data, Patent Abstracts of Japan (PAJ) and Japanese abstracts of US, EU and Chinese patent documents. They are used in the JPO as examination materials, provided to the general public through the IPDL, and also provided in batches to private business operators of providing IP-right information service<sup>3</sup> (hereinafter referred to as “private business operators”) at marginal costs to meet diversified needs for information on industrial property

<sup>1</sup> See Part 2, Chapter 1, 4, (3), 1) for more details.

<sup>2</sup> This refers to additional expenses that are incurred for data reproduction, empty storage media, and delivery of media. It does not include the costs for data creation and maintenance.

<sup>3</sup> There are more than 200 small and large private information-service providers in Japan.

rights.

The details of each data are as follows.

- Standardized Data

Standardized data includes various items of information, such as examination legal status, that has been converted and processed into a generally accessible format such as XML. The creating and providing of standardized data mentioned above started when the IPDL service was launched in March 1999. The work to create standardized data was transferred to the INPI in October 2004.

- Patent Abstracts of Japan (PAJ)

The PAJ contains human translation of publication of unexamined patent applications in Japanese into English consisting of bibliographic data, abstracts and representative drawings.

In order for the PAJ to be at least used properly as minimum documentation<sup>1</sup> in PCT international searches and international preliminary examinations, as well as prior art documentation in examinations at foreign IP offices, the JPO provides it to foreign IP offices such as PCT International Searching Authorities and International Preliminary Examining Authorities.

- Japanese Abstracts Data of US and EU Documents

The translators read the contents of the descriptions, claims and drawings of US patent documents, US publications of patent applications, and EP publications of patent applications, which cover a wide range of technical content in Japanese, and create abstracts of the contents of inventions in Japanese.

- Japanese Abstracts Data of Chinese Documents

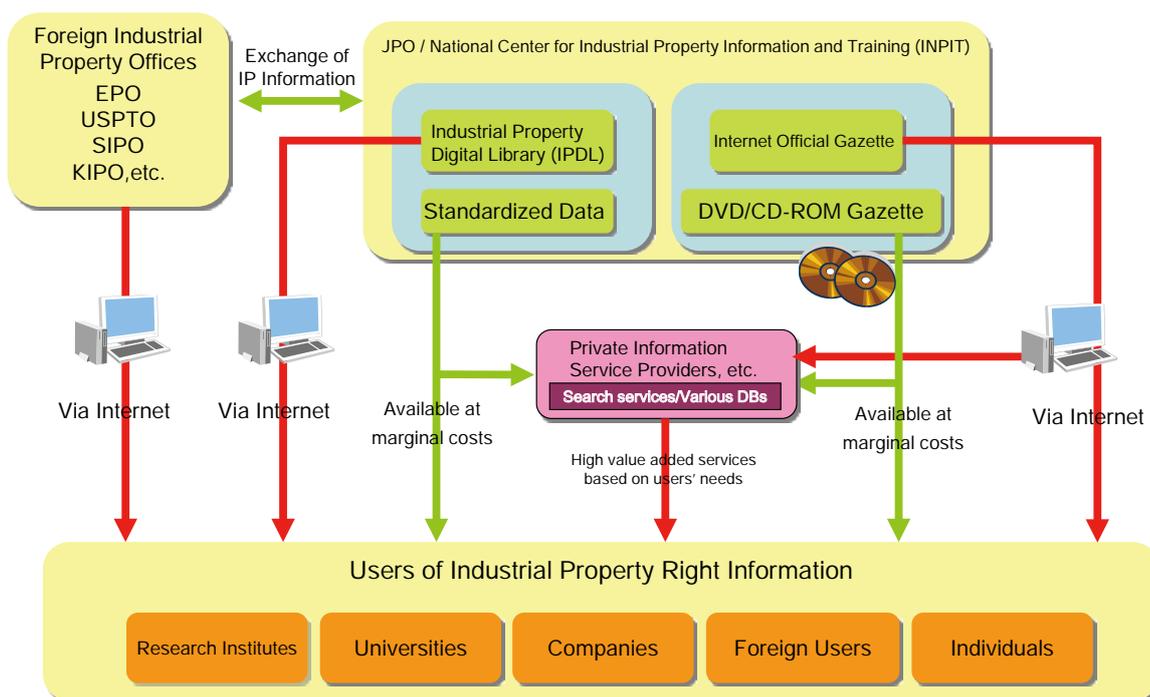
This data contains the translated abstracts of Chinese patents and utility models into Japanese. In recent years, it has been required to establish an environment where it is possible to access Chinese documents in Japanese, which are rapidly increasing in worldwide patent documents. In response to this situation, the JPO has created Japanese abstracts data by making use of machine translation from English abstracts of Chinese utility models published in January 2003 and after. Moreover, the JPO has created Japanese abstracts by human translation from Chinese abstracts of Chinese patents published in 2010 and after. The JPO assigns Japanese classification (FI/F-term) to documents of some technical fields.<sup>2</sup> In FY2013, about 250,000 Japanese abstracts (of which Japanese classifications were assigned to 35,000) were created from Chinese abstracts of Chinese patent documents disclosed in 2011.



<sup>1</sup> The minimum documentation should be searched in all cases where the International Searching Authority (ISA) creates an International Search Report (ISR) (PCT Minimum Documentation, see Paragraph 15.01 of PCT International Searches and International Preliminary Examination Guidelines).

<sup>2</sup> Documents published in 2011 and after are subject to the assignment of Japanese classifications.

Figure 2-6-4 Flow of Dissemination of Information on Industrial Property



#### (4) Patent Search Portal Site

In order to respond to requests from applicants for related information supporting prior art searches, the JPO provides such in an integrated manner through its newly established portal, the "Patent Search Portal Site" on the JPO's website. It started this on a provisional basis in March 2009. The JPO launched the official portal site in June 2010. In July 2011, the layout of this portal site was reorganized so as to improve usability.

In April 2013, the JPO upgraded the content of the portal site by providing new tools which allow users to search the relationship among classifications such as FI and CPC. Moreover, the JPO has been striving to promote the use of this portal site by holding meetings where attendees can exchange opinions with external parties concerned for the purpose of supporting the use of patent searches and patent information by applicants. The JPO has received positive opinions from applicants who stated that this portal site was very helpful for in-company training and it is making use of it.

#### (5) Other Support Measures by Providing Information

##### 1) IPDL Official Gazette Fixed-address Service for Universities and elsewhere

In order to support R&D activities in universities and elsewhere, the JPO has started the Official Gazettes fixed-address service, enabling users such as universities to directly access patent data in Official Gazettes since January 2007.

◇ Number of registered universities: 300 universities (as of the end of March 2014)  
<http://www.jpo.go.jp/torikumi/chouhoyu/chouhoyu2/daigakuipdl.htm>

##### 2) Patent Licensing Information Database

The INPIT provides information on licensable patents on the Patent Licensing Information Database in order to support applicants in acquiring rights by means of creating new innovations and technical developments through effective utilization of patents (licensable patents) owned by universities, public research institutions and companies that are willing to transfer such patents to others.

◇ Number of registered patents: 36,648 (as of the end of March 2014) (Owned by companies: 8,607, Universities/public research institutions: 28,041)

### 3) Research Tool Patent Database

In order to promote the utilization of patented research tools in the field of life-science, the INPIT created a patent database of information on research tools owned by universities, public research institutions, companies, etc. It has been providing information as the Research Tool Patent Database.

◇ Number of registered patents: 605 (as of the end of March 2014) (Owned by companies: 32, Universities/public research institutions: 573)

### 4) Intellectual Property Transaction Specialists Database

As a part of the efforts to stimulate IP trade in Japan and utilize IP information, the INPIT created a database of information on service details provided by IP trade businesses. The information has been made available on the website as the Intellectual Property Transaction Specialists Database.

◇ Number of registrations: 172 (as of the end of March 2014)

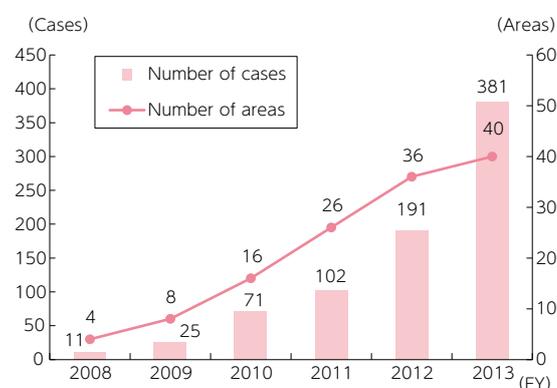
## 2. Support in Terms of Fees, etc.

### (1) Assistance to Regional SMEs for Filing Applications Abroad

Although more and more SMEs have expanded their businesses internationally in response to economic globalization, it is important for them to acquire patent rights and trademark rights in countries where they operate in order to develop sales channels and take measures against damage from counterfeits in overseas markets. However, it is very costly for them to acquire rights overseas and this imposes a great hardship on SMEs with limited financial resources. The JPO subsidizes part of the costs SMEs incur in filing foreign applications when they are planning to expand their businesses overseas. The JPO has been providing subsidies to the Prefectural SME Support Centers<sup>1</sup> since FY2008 for the purpose of promoting strategic

filing of foreign applications by regional SMEs. From the start of this provision of subsidies in FY2008 until FY2013, the number of areas and cases in which the assistance was given increased year by year (see Figure 2-6-5). The number of cases where the assistance was given marked 2.8 per area at the time of the start of this project, but it increased to 9.5 cases in FY2013. In FY2013, the assistance was provided in 40 Areas nationwide and support was provided in 381 cases.

**Figure 2-6-5 Change in the Performance of Subsidies for Filing Foreign Applications**



#### (Content of project)

- Ratio of subsidization: No higher than 50%
- Amount of subsidization:
  - Limit per company: 3 million yen (for multiple cases)
  - Limit per case: 1.5 million yen for patents, 0.6 million yen for utility models, designs and trademarks and 0.3 million yen for trademarks against misappropriation<sup>2</sup>
- Costs eligible for subsidization: fees for local agents, national agents, translations, application to foreign Offices

<sup>1</sup> Designated corporations based on the provision of Article 7, Paragraph 1 of the Small and Medium-sized Enterprise Support Act (Act No.147 of 1963). The number of designated corporations is 60 nationwide and they are stationed at prefectures and major cities listed in Article 2 of the Order for Enforcement of the said Act.

<sup>2</sup> Trademarks against misappropriation: Applications for trademark registration for the purpose of measures against cunning applications by third parties (misappropriated applications). They have become subject to fee reduction/exemption since FY2013.

**(2) Fee Reduction/Exemption for Individual and SMEs****Reduction of and Exemption from Annual Patent Fees/Examination Request Fees**

The JPO reduces or exempts annual patent fees, etc. These are available to individuals and companies or R&D-oriented SMEs if they comply with certain requirements stipulated in the Patent Act, the Industrial Technology Enhancement Act, and the Act on Enhancement of Small and Medium sized Enterprises' Core Manufacturing Technology.

Results in FY2013

## ○Support based on the Patent Act

An exemption from or a 50% reduction of annual patent fees and examination request fees for individuals and companies is determined by taking into account financial resources of SMEs, etc.

- Exemption from annual patent fees: 2,160 cases
- Exemption from examination request fees: 2,315 cases

## ○Support based on the Industrial Technology Enhancement Act and the Act on Enhancement of Small and Medium-sized Enterprises' Core Manufacturing Technology

A 50% reduction of annual patent fees and examination request fees for R&D-oriented SMEs.

- Reduction of annual patent fees: 11,956 cases
- Reduction of examination request fees: 4,839 cases

In addition, the JPO has introduced the reduction of and exemption from annual patent fees for small-and-medium-sized venture companies and small companies since April 1, 2014 based on the Industrial Competitiveness Enhancement Act enacted at the extraordinary Diet session last autumn.

This measure is characterized in that, compared to the conventional measure for reduction/exemption based on the Patent Act, i) the target was expanded to small companies not limited to non-taxable corporation, ii) not only national application fees but also international application fees have become subject to reduction/exemption, and iii) the ratio of reduction is changed from 50% to one-third.

**(3) Fee Reduction/Exemption for Universities and TLOs****Reduction of and Exemption from Patent and Examination Fees**

The JPO reduces or exempts annual patent fees, etc. for universities and TLOs, based on the TLO Act<sup>1</sup>, the Act on Special Measures for Industrial Revitalization<sup>2</sup>, and the Industrial Technology Enhancement Act to support industry-academia-government collaboration and technological transfer at universities and TLOs. As the Act on Special Measures for Industrial Revitalization was abolished in response to the enforcement of the Industrial Competitiveness Enhancement Act, the measures for reduction of annual patent fees and examination request fees for TLOs are now provided for in the TLO Act.

◇Results in FY2013

## ○Support based on the TLO Act and the Law on Special Measures for Industrial Revitalization

A 50% reduction of annual patent fees and examination request fees for authorized and approved TLOs.

- Reduction of annual patent fees: 675 cases
- Reduction of examination request fees: 274 cases

## ○Support based on the Industrial Technology Enhancement Act

A 50% reduction of annual patent fees and examination request fees for universities and university researchers

- Reduction of annual patent fees: 3,152 cases
- Reduction of examination request fees: 3,714 cases

**3. Support through Consultations****(1) Support by One-Stop Solution (IP Comprehensive Support Counters)**

The IP Comprehensive Support Counters were established in each prefecture in FY2011 to give consultation to SMEs on issues related to intellectual property. Some opinions expressed by SMEs were as follows: "I don't know where to go to get help." And "Intellectual property is

<sup>1</sup> Act on the Promotion of Technology Transfer from Universities to Private Business Operators

<sup>2</sup> Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities

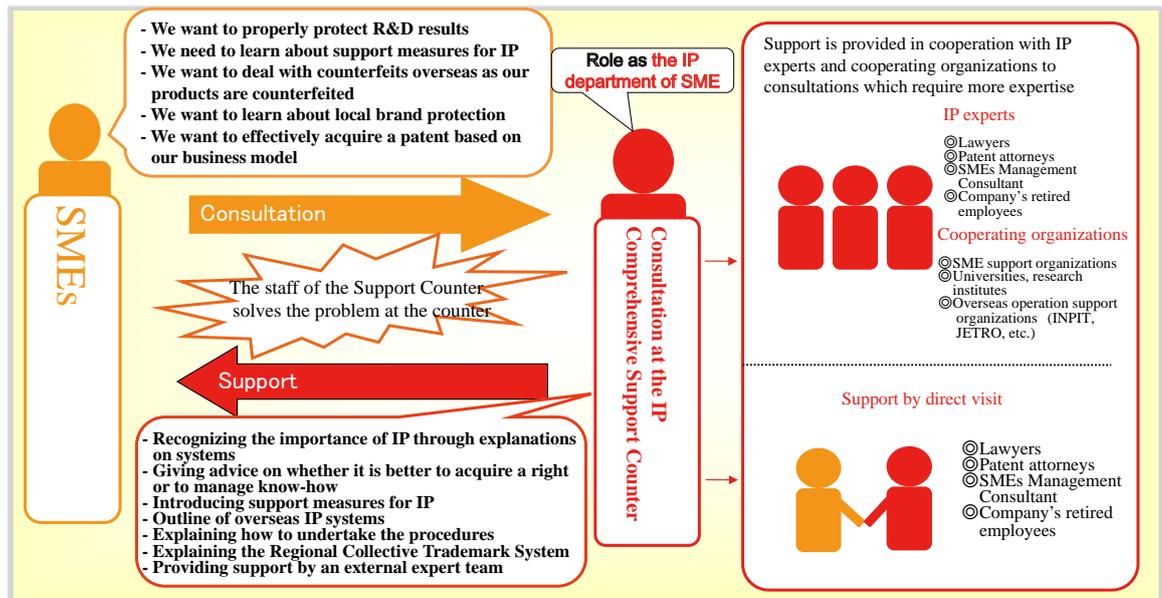
too difficult to understand” .

The IP Comprehensive Support Counters, in collaboration with related support organizations, provides a solution to various issues, from the time they create ideas up to when they establish their business operations outside Japan without

charge, and confidentiality is maintained. Experts such as patent attorneys and lawyers provide a solution to complicated issues.

Specifically, IP Comprehensive Support Counters provide the following services including support for visits to companies.

**Figure 2-6-6 Consultation at the IP Comprehensive Support Counter**



### 1) Support for Procedures for Filing Patent Applications (including assistance to electronic filing)

The IP Comprehensive Support Counters explain how to undertake the procedures for filing, registration and procedures concerning the industrial property rights such as patents, and explain the procedures for filing online applications by using electronic filing software.

### 2) Support for Prior Art Document Searches

The methods of searching of already-filed or already-patented applications utilizing the IPDL are explained.

### 3) Support for Licensing Agreement and Transfer of Technologies

A model contract of licensing agreement for the utilization of technologies owned by SMEs and advices on action for infringement are provided.

### 4) Support for Counterfeit Products and Infringement Cases

Support measures against counterfeiting goods and infringement lawsuits provided in other countries by cooperating organizations for SMEs are introduced, and advice on how to respond to infringement cases is given by experts.

### 5) Support for Overseas Business Operations

Support measures for filing international applications are introduced, and advice on licensing agreements with overseas companies is provided by experts.

### 6) Support for Design and Brand Strategies

Support is given for the introduction of IP-use mind from the time of product development by making use of experts such as design/brand consultants and patent attorneys who have know-how to utilize designs and for strategic filing of applications for design registration.

## 7) Support for Discovering SMEs that Have not Utilized IP and Raising Awareness on IP Activities

The outline of various systems related to the intellectual property system such as the industrial property rights system for patents and the Unfair Competition Prevention Act for trade secrets and their differences are explained.

## 8) Introduction of Various Support Measures for IP

Support measures for SMEs, their contents and the methods of applying for them are explained.

Moreover, IP experts (patent attorneys and lawyers) will be assigned to the IP Comprehensive Support Counters from FY2014 with the aim of upgrading one-stop services. (See Part 4, 3.(1)3).

◇ Results in FY2013

Number of consultations: 148,770

### (2) Consultation Counters

#### 1) Consultation on Industrial Property Rights

##### a) Industrial Property Right Consultation Website

The Industrial Property Right Consultation Website provides basic information on industrial property rights and necessary information in the form of frequently asked questions on procedures for filing patent applications, registering trademarks, and requesting appeals and trials. This information can also be searched by keywords. In addition, the website explains how to file trademarks, which is one of the areas users most frequently ask about, showing “easy trademark applications”. Moreover, users can download the latest documents related to procedures such as various application forms (samples of forms) and examples of descriptions.

Users can directly contact the Consultation Counter by completing an online form when they have questions that cannot be solved by visiting the website.

◇ Results In FY2013

Number of access; 306,151



Industrial Property Right Consultation Website Top Page

#### b) Consultation Counters

The INPIT offers counseling for all types of inquiries such as those from people who have ideas for patents but don't know how to obtain the rights for them, or those wishing to file patent applications but don't know the actual procedures.

The counseling is offered without charge in person or by e-mail, telephone, or in writing (letter or FAX).

◇ Results in FY2013

Number of consultations: 29,294

#### 2) Consultation on IPDL

The IPDL Help Desk has expert staff available to help users with operating and using various search services on the IPDL.<sup>1</sup>

◇ Results in FY2013

Number of consultations: 7,116

#### 3) Consultation on Electronic Filing

The electronic filing software support guide on the website provides useful information for filing electronic applications such as a guide on how to fill in filing documents and frequently-asked questions. Moreover, the electronic filing software support center has expert staff available to help users with specific operating methods of the electronic filing system.

<sup>1</sup> [http://www.ipdl.inpit.go.jp/homepg\\_e.ipdl](http://www.ipdl.inpit.go.jp/homepg_e.ipdl), See Part 2, Chapter 6, 1, (3), 2)

◇Results in FY2013

Number of consultations: 9,584

#### 4. Support by Experts

In order to achieve the sustainable development of Japanese industries and maintain their international competitiveness, it is necessary to efficiently advance the creation of innovation. So, IP strategies are very important to strategically protect and utilize IP that has been created. Based on this, the JPO and the INPIT provide companies and universities with support for IP management by assigning experts in the right places.

##### (1) Global Intellectual Property Producer Project

When companies operate globally, the overall management of IP such as responding to IP risks and utilizing IP, including licensing, is necessary in accordance with the ever-changing business environment. For the purpose of providing management support for the overall management of IP in various areas such as acquisition, management and utilization of intellectual property rights, transfer of technologies to overseas markets and formulation of IP strategies in accordance with circumstances and systems of target countries where SMEs are operating businesses and the purposes and contents of their business, six experts with abundant experience working overseas in the field of IP in private companies, have been assigned as Global Intellectual Property

producers at the INPIT since FY2011. Since FY2012, the INPIT has been expanding its collaboration with related organizations by strengthening the collaborative relationship with the Organization for Small & Medium Enterprises and Regional Innovation.

As a specific example of support, Global Intellectual Property producers provide companies planning to launch or expand their businesses overseas with advice on various IP risks based on their forms of business. Global Intellectual Property producers provide support on the acquisition of intellectual property rights in accordance with business operations/launches. For example, they make sure what kind of rights should be acquired in which area. They also show a way to make profits with acquired rights. For example, they make proposals on business schemes adapted to purposes of companies for operating businesses overseas and to intellectual property rights owned by them. Moreover, they provide continuous support from the start-up of business and give lectures to deepen understanding on various IP risks confronted by companies when they operate businesses overseas and the relationship between business and IP.

◇Results in FY2013

Number of organization that received support:  
233 companies and universities

Number of lectures: 84 times

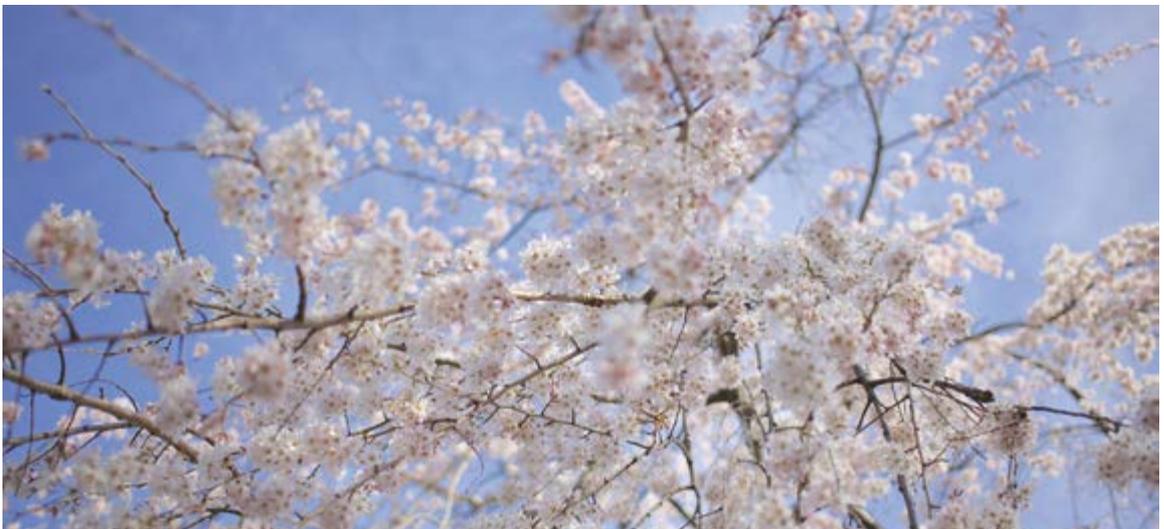
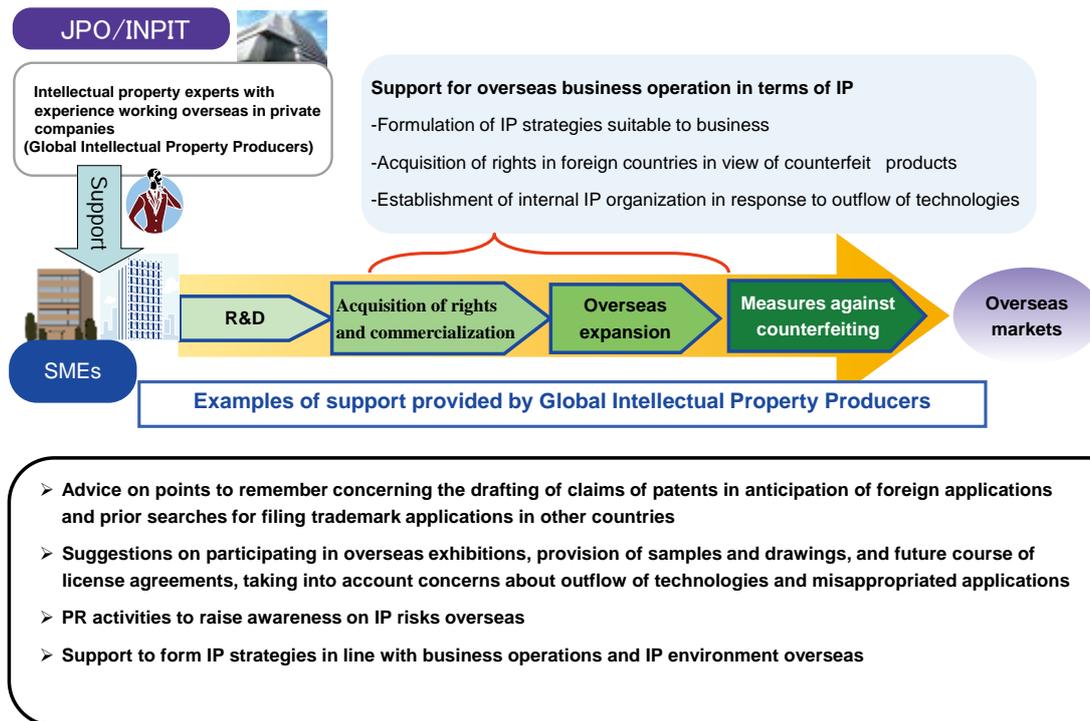


Figure 2-6-7 Global Intellectual Property Producer Project



## (2) Intellectual Property Producer Project

R&D consortiums and universities to which public funds have been invested are expected to create innovative research achievements and improve their international competitiveness. For the purpose of contributing to the promotion of innovation in Japan, the INPIT has been sending Intellectual Property Producers, who are experts with practical experience in IP in private companies in order to support the formulation of strategies and IP management of R&D projects. This was done with a view toward the utilization of achievements, from the earliest stages of researches conducted under the R&D projects, giving consideration to the utilization of IP.

To be specific, the INPIT has provided support for formulating intellectual property policies and establishing an IP management system in the initial stage, support for strategically acquiring patents and collecting and analyzing IP information inside and outside Japan for the said purpose in the promotion stage, and support for IP management at the time of completing a project in the final period. The INPIT has started to provide support before a project begins (the stage of designing) in

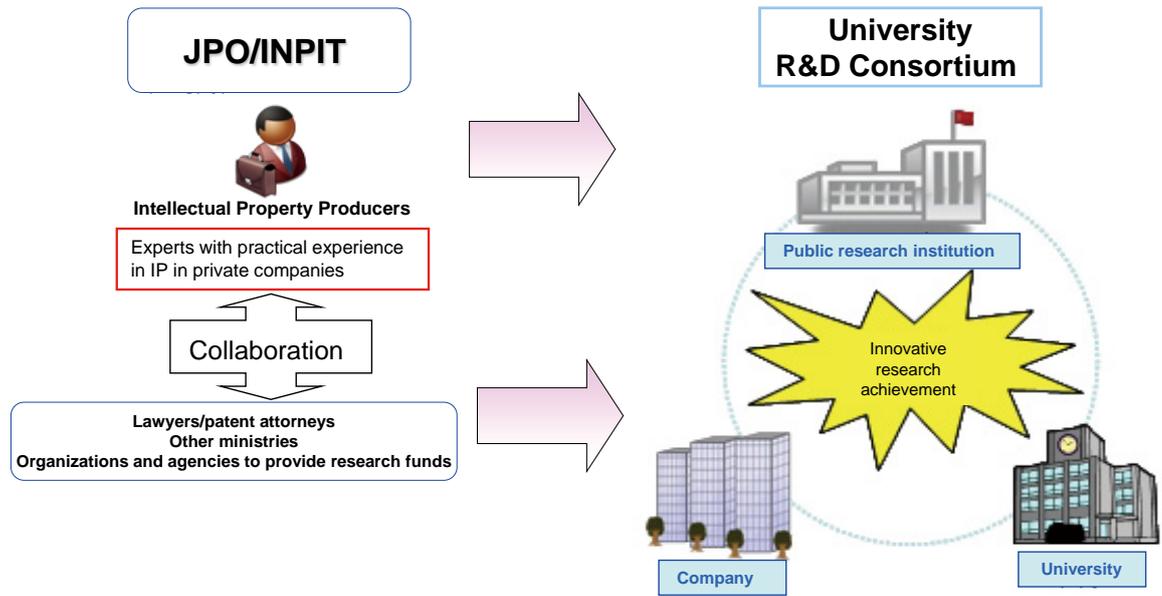
response to requests from projects since FY2012.

### ◇Results in FY2013

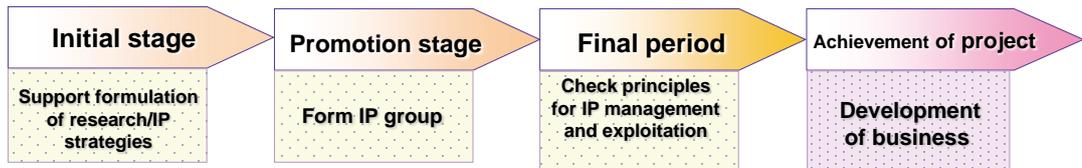
Intellectual Property Producers were sent to a total of 29 projects



Figure 2-6-8 Example of Duties of Intellectual Property Producer



○ Outline of Intellectual Property Producer Project



(3) Intellectual Property Advisor Project for University Networks

In order for universities to start intellectual property activities, it is necessary to set up proper IP management systems within universities.

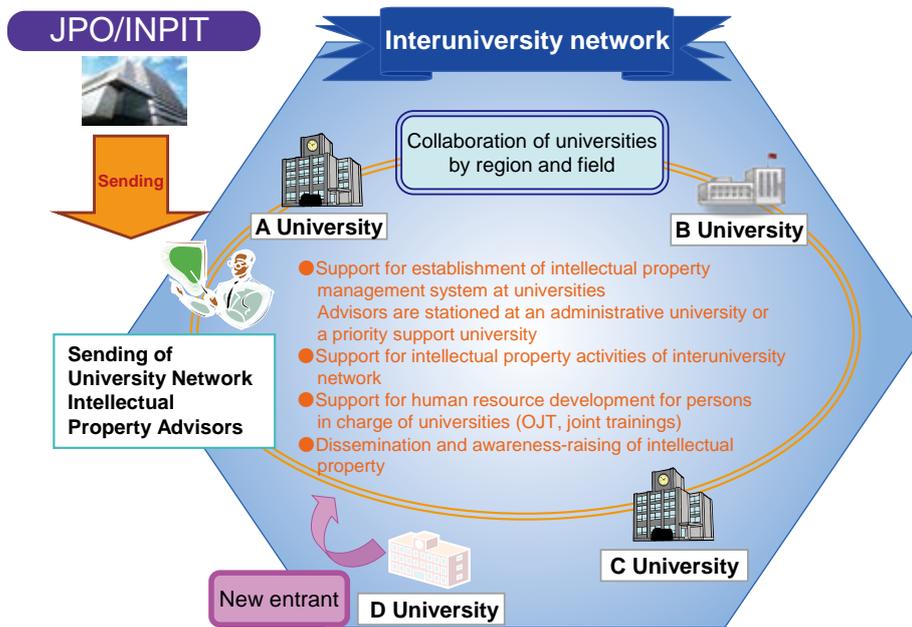
The JPO and the INPIT, with the aim of supporting the setup of these systems within universities, have been sending advisors to universities since FY2002. A total of 60 universities received university intellectual property advisors by March 2011.

The support structure was changed in April 2011, and University Network Intellectual Property Advisors have been sent to networks consisting of several universities based on either region or technological field. The INPIT has strived to promote intellectual property activities at all universities in a network and expand the base of academic-industrial collaboration through establishing and strengthening the IP

management system. In FY2013, University Network Intellectual Property Advisors were sent to 8 networks (total of 69 universities). From FY2014, the INPIT has started to send an Adviser to a network of design, nursing and medical universities.



Figure 2-6-9 Outline of Intellectual Property Advisor Project for University Networks



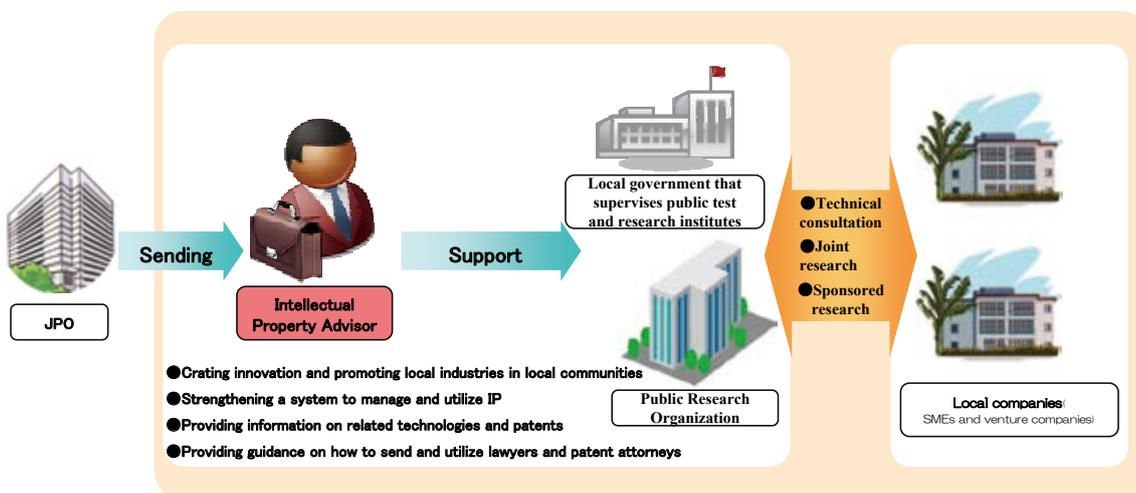
**(4) Intellectual Property Advisor Project for Public Research Organizations**

Since FY2013, the JPO has been sending advisors who are experts in IP to public research organizations. This project is designed to enhance public research organizations' capabilities to transfer to local companies, through the

establishment of IP management system by the support of the experts. The aim is to develop new business fields and improve industrial technologies in the local communities.

In FY2013, Intellectual Property Advisors were sent to five organizations.

Figure 2-6-10 Outline of Intellectual Property Advisor Project for Public Research Organizations



## 5. Activities for Raising Awareness on Intellectual Property Systems

### 1) Explanatory Meeting on the Intellectual Property System

The JPO holds its annual Explanatory Meeting on the Intellectual Property System nationwide for the public, tailored according to the levels of knowledge and experience of the attendees (introductory-level and advanced level meetings). The purpose is to raise awareness on the intellectual property system, offer approaches to ensure the system runs smoothly, encourage IP rights acquisition, and explain how to effectively use intellectual property rights so as to revitalize business.

The JPO's Introductory Explanatory Meeting outlines the IP system and procedures for entry-level people who want to start learning about intellectual property rights or who have limited experience in IP departments in companies.

In FY2013, the JPO strengthened the collaboration with local governments by allowing persons in charge of local governments and the IP Comprehensive Support Counters to introduce local IP support measures with a view to making

this meeting more community-based.

In addition, the JPO's Advanced Explanatory Meeting provides content specialized by field, including patent examination standards, design and trademarks, appeals/trial systems, and procedures for filing international applications. This meeting is designed for individuals who have basic knowledge and experience in the intellectual property right systems and who are engaged in intellectual property affairs on a daily basis.

Moreover, after the Patent Act was amended, the JPO has been conducting Legal Amendment Explanatory Meetings to explain the purpose and details of the legal amendment.

#### ◇ Results in FY2013

Introductory Explanatory Meeting: 56 times in total in 47 prefectures 7,835 persons participated in this meeting

Advanced Explanatory Meeting: 61 times in total in 21 cities and 22 places nationwide 16,351 persons participated in this meeting

\* No Legal Amendment Explanatory Meeting was held

Figure 2-6-11 Content of lectures at Explanatory Meeting on the Intellectual Property System

#### Introductory-level Explanatory Meetings

- Outline of intellectual property rights
- What are patent, design and trademark
- Use of industrial property rights information
- Exploitation of industrial property rights and response to infringement of rights
- Outline of various support measures
- Introduction of support measures from local governments

#### Advanced-level Explanatory Meetings

- Examination standards and practices for patent, design and trademark
- Procedures for international applications (PCT, Madrid Agreement and Protocol)
- Outline of patent classifications (IPC, F term)
- Operation of appeal system
- Various systems necessary for IP management in companies (employee's invention, trade secret)



FY2013 Explanatory Meeting on the Intellectual Property Systems

## 2) Industrial Property Right Specialists

The JPO has industrial property right specialists who provide comprehensive support to SMEs. They serve as lecturers at various seminars designed for SMEs and local government staff; and they visit SMEs to provide individual counseling, with the objective of raising awareness on the IP system, giving information on the types of support available.

In FY2013, the JPO held seminars utilizing these lecturers by actively inviting associations of SME owners, experts who have close relationship with SMEs such as certified tax accountants and small and medium enterprise management consultants and financial institutions.

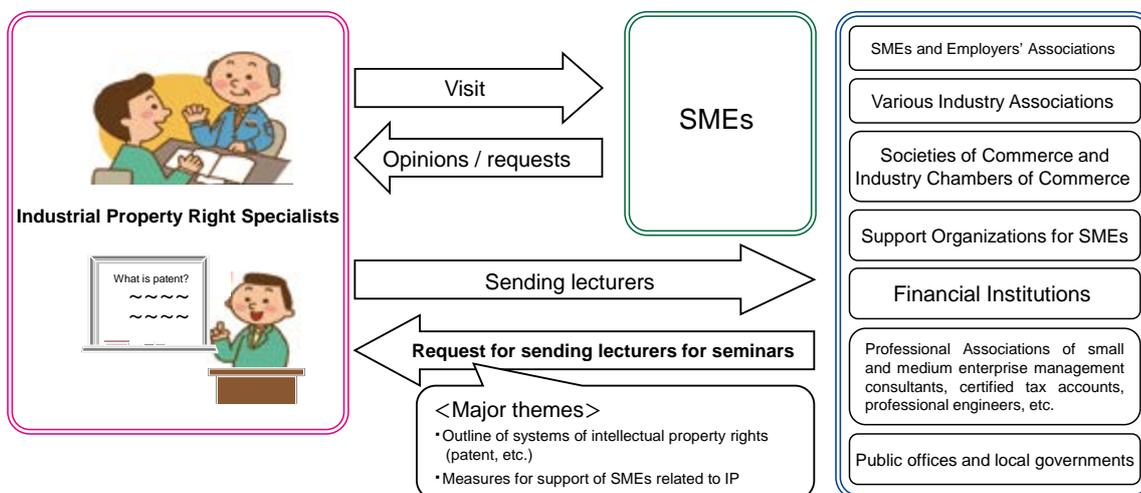
Industrial property right specialists also ask SMEs about their views and requests on the JPO and industrial property right system, allowing them to make proposals to improve the system. Views and opinions collected are publicized on the JPO website.

### ◇Results in FY2013

Visits to SMEs to provide individual counseling: 229

Lecturers at intellectual property seminars and training sessions: 133 seminars/sessions

Figure 2-6-12 Duties of Industrial Property Right Specialists



### 3) Consultation on the Intellectual Property Rights Systems of Other Countries

The JPO provides free consultation to SMEs, advising action they should undertake to combat industrial property infringement, and explaining the industrial property rights systems in other countries.

In FY2013, the JPO held explanatory seminars in Tokyo, Nagoya and Osaka on the industrial property rights systems of the United States, EU, Thailand and Vietnam; and of the United States in Sapporo, Yokohama and Fukuoka. Moreover, the JPO held explanation meetings and individual consultations for specific categories of business to which a number of SMEs belong (stationery and toy industries in FY2013) which suffer from damage caused by counterfeits.

Furthermore, the JPO provides information on measures against industrial property infringement of each country and introduces consultation cases on the website.

#### ◇Results in FY2013

- Number of consultations: 217 (countermeasures against foreign industrial property infringement) 690 (consultation on foreign industrial property systems)
- Number of explanatory meetings: 12  
Total number of participants: 2,135
- Number of explanatory meetings and individual consultations for specific categories of business: Twice  
Total number of participants: 103  
Individual consultations: 5 companies



Seminar on the Unites States held in Nagoya



Seminar on EU held in Tokyo

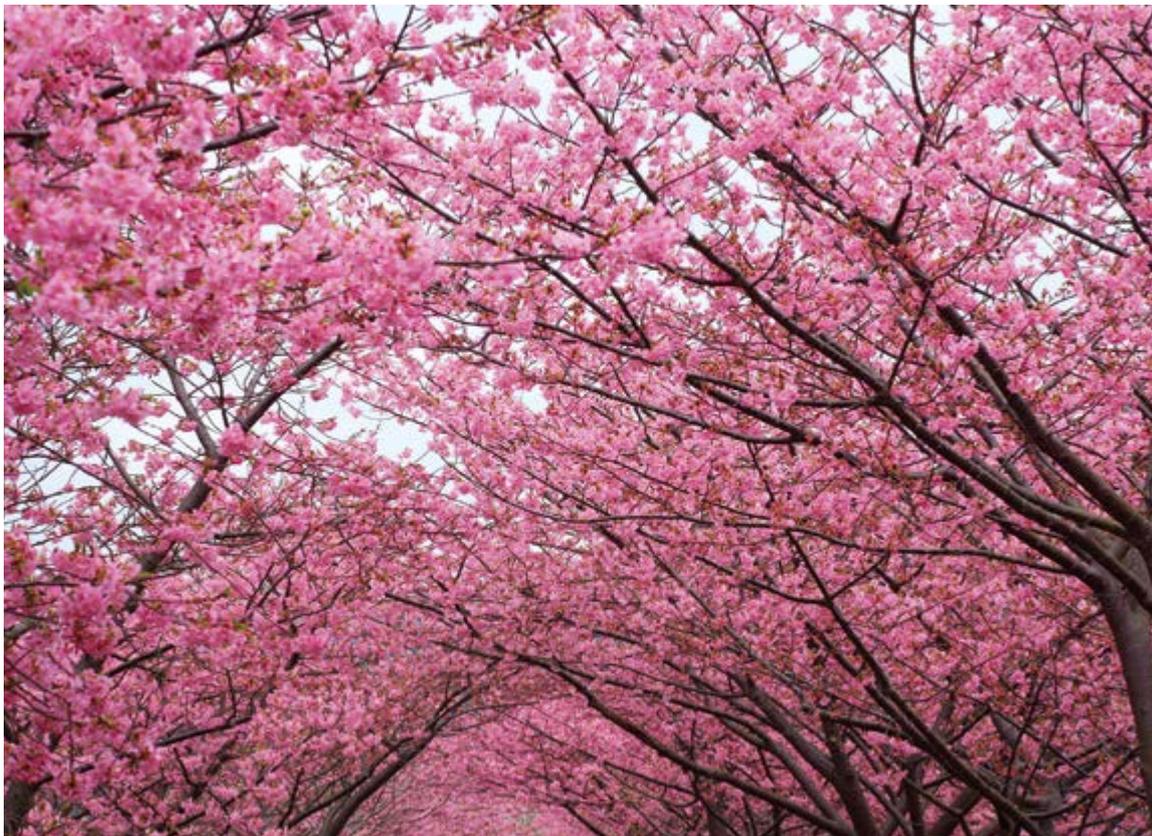
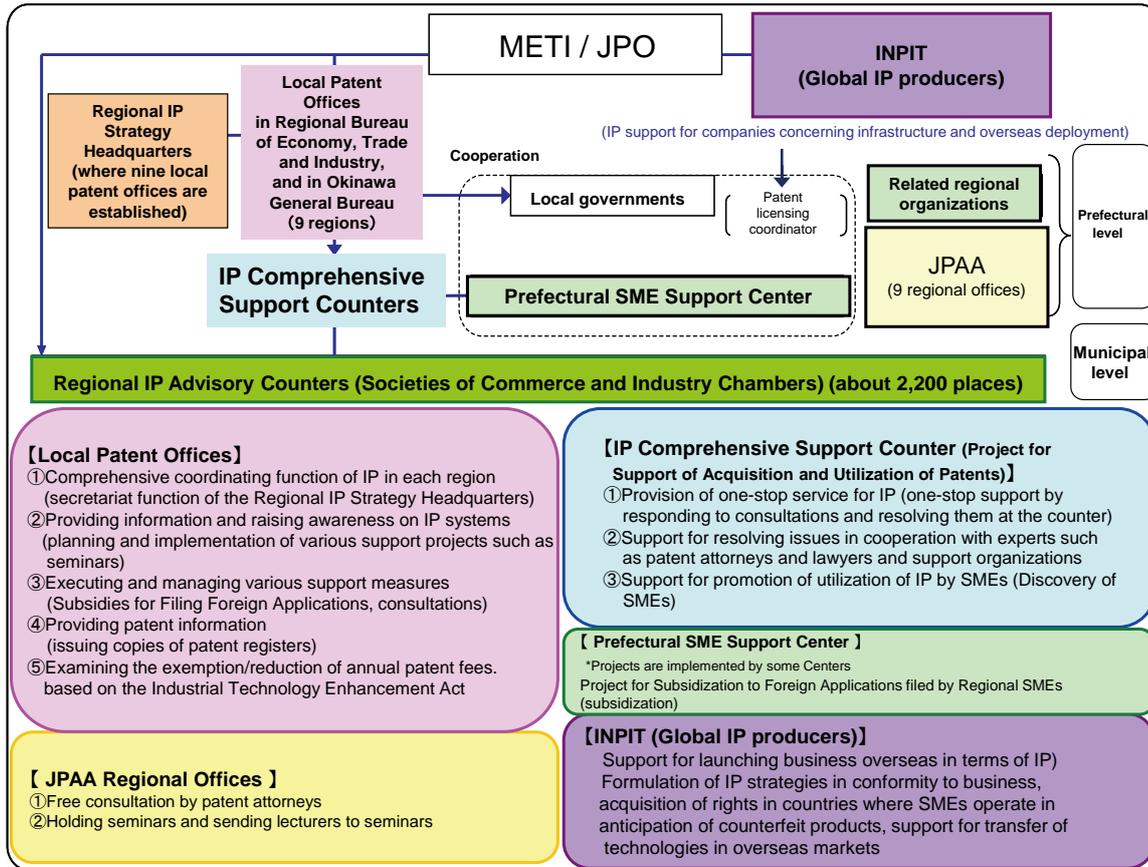
## 6. Regional Support System

The JPO, in cooperation with local governments, is working to raise awareness in regional SMEs and venture companies on intellectual property, and promoting the use of the support measures for SMEs. To be more specific, the JPO established local patent offices in nine regions under the Regional Bureaus of Economy, Trade and Industry. Based on the industrial structures of each regions, these offices oversee their respective regions and plan and implement measures for supporting intellectual property (holding seminars, etc.). In addition, the JPO provides comprehensive support through the Intellectual Property Comprehensive Support Counters<sup>1</sup>, located in the respective prefectures.

In order to develop a framework that encourages IP promotional activities and strategic IP utilization in local areas, in FY2005, the JPO established Regional Headquarters for Intellectual Property Strategy in each of the nine regions, which fall under the jurisdiction of Regional Bureaus of Economy, Trade and Industry. The Headquarters provide comprehensive IP support designed for the local communities. This includes creating the Regional Intellectual Property Strategy Program based on the local situations and needs. It also plays a leading role in providing support through the provision and transmission of information through the Internet and mail magazines.

<sup>1</sup> See Part 2, Chapter 6, 3, (1)

Figure 2-6-13 Regional Support System



## Chapter 7

### Initiatives on Developing Human Resources

It is extremely important to cultivate human resources who engage in intellectual property, that is, IP-specialized human resources, in order to revitalize IP activities and promote innovation. It is becoming also important to cultivate not only human resources who engage in the acquisition, maintenance and management of intellectual property rights but also those who can utilize IP and who are expected to play an important role in the field of intellectual property systems.

This chapter introduces various measures for supporting the cultivation of IP-specialized human resources and the award winners of “FY2014 Award for Intellectual Property Merit”, which gives commendation to individuals and companies that contribute to cultivate, disseminate and promote the intellectual property systems.

#### 1. Cultivation of Human Resources who Engage in IP

The JPO and the INPIT make the following initiatives in collaboration with related organizations with the aim of improving knowledge and skills required in each target group and further improving its capabilities.

##### (1) Cultivation of IP-specialized Human Resources

###### 1) Cultivation of Patent Attorneys

Patent attorneys play a central role among the professions in the field of intellectual property. The JPO, in collaboration with the Japan Patent Attorneys Association (JPAA), has implemented the following measures to cultivate patent attorneys who have specialized skills.

###### a. Training for Representation in Specific Infringement Lawsuits

The business community has been requesting that the dispute-resolution services such as legal representation in infringement lawsuits in the field of intellectual property be strengthened, by increasing the number of and

enhancing the skills of specialized attorneys. Therefore, the JPO requires patent attorneys who wish to be admitted to act as counsels in certain infringement lawsuits ( “Specific Infringement Lawsuit”<sup>1</sup>, limited to cases jointly represented with attorneys-at-law) to take the training on practices of the civil procedure and to pass the examination for evaluation.

###### b. Practical Training Prior to the Patent Attorney Registration

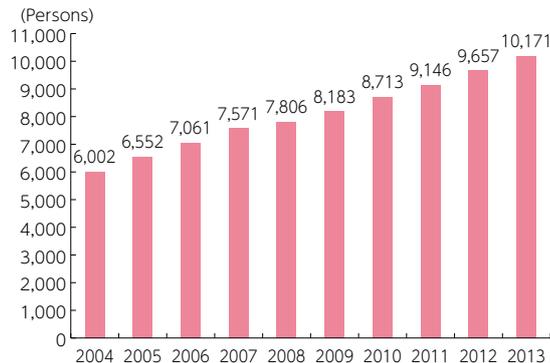
In general, the acquiring of qualifications by individuals in society ensures that the rights of citizens and the safe conduct of transactions can be ensured as a result of these individuals being certified as specialists capable of providing reliable services. Accordingly, there is public demand to further ensure and improve the skills of these professionals. Under the aim of ensuring the necessary, professional abilities of those who have passed the patent attorney examination, it has been made mandatory for these persons to complete practical training provided by an organization designated by the Minister of Economy, Trade and Industry (Designated Training Agency) before they can be registered as patent attorneys .

###### c. Continuing Training for Registered Patent Attorneys

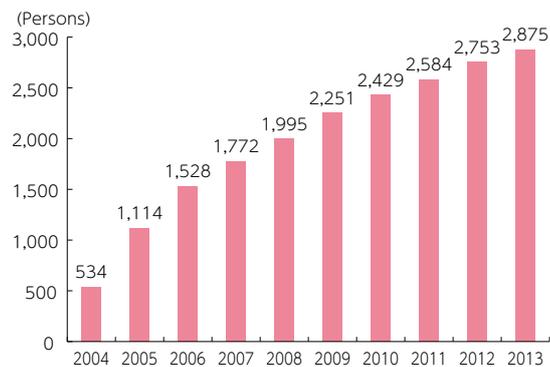
In order to respond to changes surrounding intellectual property such as the economic globalization and the progress being made in the intellectual property management in companies, patent attorneys need to accurately understand the latest circumstances and acquire advanced and diversified capabilities. In view of these needs, patent attorneys are required to participate in specialized training ( “Continuing Training” ) on a regular basis to maintain and improve their skills.

<sup>1</sup> Any lawsuits related to infringement of rights concerning patents, utility models, designs, trademarks or circuit layouts, or infringement of business interests by specific unfair competition.

**Figure 2-7-1 Change in the Number of Patent Attorneys**



**Figure 2-7-2 Change in the Number of Patent Attorneys Admitted to Act as Counsel in Specific Infringement Lawsuits**



Note:

1. Number as of the end of December 2013.
2. A patent attorney who has completed the training course to gain the knowledge and practical skills required as counsel and has passed the Specific Infringement Lawsuit Counsel Examination may act as counsel upon completion of the supplementary note registration to be qualified as such by the JPAA. (Note that those patent attorneys can act as counsel only in specified infringement lawsuits in which attorneys-at-law are also hired by the same client.)

**Figure 2-7-3 Number of Patent Attorneys and other IP-specialized Professionals in Japan and the US**

Japan
Patent Attorney: 10,173 (registered attorney-at-law among them:367)
Total

United States
Patent Attorney <sup>1</sup> : 31,521
Patent Agent <sup>2</sup> : 10,740

Note:

Japan: Number as of the end of February 2014

United States: Number as of the end of February 2014

## 2) Development of Private Intellectual Property Experts

The INPIT provides the following trainings to develop private intellectual property experts.



<sup>1</sup> They have acquired the qualifications for Attorney at Law and Patent Agent. They are not allowed to undertake the procedures for patents (including design patents) by proxy with the USPTO only with the qualification for Attorney at Law.

<sup>2</sup> They can undertake the procedures for patents (including design patents) by proxy with the USPTO.

**Figure 2-7-4 List of trainings for private intellectual property experts**

Main targets	Name of training	Outline of training	Total number of participants in FY2013
Persons who conduct prior art searches	Search Expert Training (advanced-level)	It targets persons who have sufficient knowledge in the Patent Act and aims to develop experts who contribute to the rationalization of filing applications and making requests for examination by further improving their capabilities of conducting prior art searches.	110
Persons who conduct prior design searches	Search Expert Training (design)	It targets persons who have sufficient knowledge in the Design Act and aims to develop experts who can properly understand effective protection of product designs by acquiring design rights and scope of post-grant rights.	18
Persons in charge of IP in companies	Patent Search Practice Training	It aims to develop human resources who can determine patentability based on the Examination Guidelines for Patents, which is required before a patent application is filed and after a patent has been acquired and a right is utilized, and accurately carry out patent searches in an efficient manner.	29
Patent attorneys and persons in charge of IP in companies	Training on Ways to Respond to Notices of Reasons for Refusal of Designs	It targets persons with relatively little practical experience and aims to correctly understand the contents of notices of reasons for refusal issued in response to applications for design through explanations on the Examination Guidelines for Designs and exercises and learn practical capabilities of preparing answers and accurately responding to these reasons for refusal.	29
Lawyers, patent attorneys and persons in charge of IP in companies	Training for Discussions on Examination Guidelines for Patents	It aims to further improve skills of IP-specialized human resources by mutually learning based on discussions from different points of view on the Examination Guidelines for Patents, Utility Models or Designs and actively providing knowledge owned by examiners concerning the Examination Guidelines.	77
	Training for Discussions on Examination Guidelines for Designs		25
Managers or persons in charge of IP in SMEs and venture companies	Training on Ways to Utilize Intellectual Property Rights (utilization course)	It aims to develop the capabilities of determining how intellectual property is utilized for business management by introducing various cases in which SMEs and venture companies could successfully acquire and utilize intellectual property rights and could not utilize them, and discuss those cases among the participants.	27
Persons in charge of IP in SMEs, venture companies and university researchers	Training on Ways to Utilize Intellectual Property Rights (search course)	It aims to develop human resources who can conduct accurate searches utilizing patent information to decide themes and directions of researches and to determine the necessity of filing applications for patent and requests for examination.	42
Staff of research institutions belonging to government-related organizations	Intellectual Property Training (introductory level)	It targets persons with relatively little practical experience in IP and aims to learn basic knowledge in IP necessary for undertaking the examination procedures.	161
Persons who belong to SMEs, venture companies, local governments and government-related organizations	Intellectual Property Training (industry-academia-government collaboration)	It targets persons who have a certain level of knowledge in the outline of the intellectual property system and aims to further improve their knowledge and capabilities to undertake the examination procedures.	49

### 3) Provision of Opportunities for Learning Utilizing Information and Communication Technology

#### a) Development of Human Resources Using E-learning (IP e-learning)

The INPIT extensively provides the public with e-learning educational sources such

as “current status and issues surrounding industrial property rights” and “outline of the examination guidelines for patents and utility models”. These sources are used not only for the JPO but also for the development of IP-related human resources nationwide.



IP e-learning top page

#### b) Provision of Training Textbooks

Some training textbooks used in the various INPIT training courses are published on the INPIT website so that they can be used by any person engaged in IP.

#### 4) Development of Searchers

##### a. Training for Searchers (statutory training)

The INPIT offers statutory training for those who wish to become "searchers" (staff that conduct the preparatory search business for prior art document searches outsourced by the JPO) in registered search organizations. (Article 37 of the Act on the Special Provisions for Procedures related to Industrial Property Right).

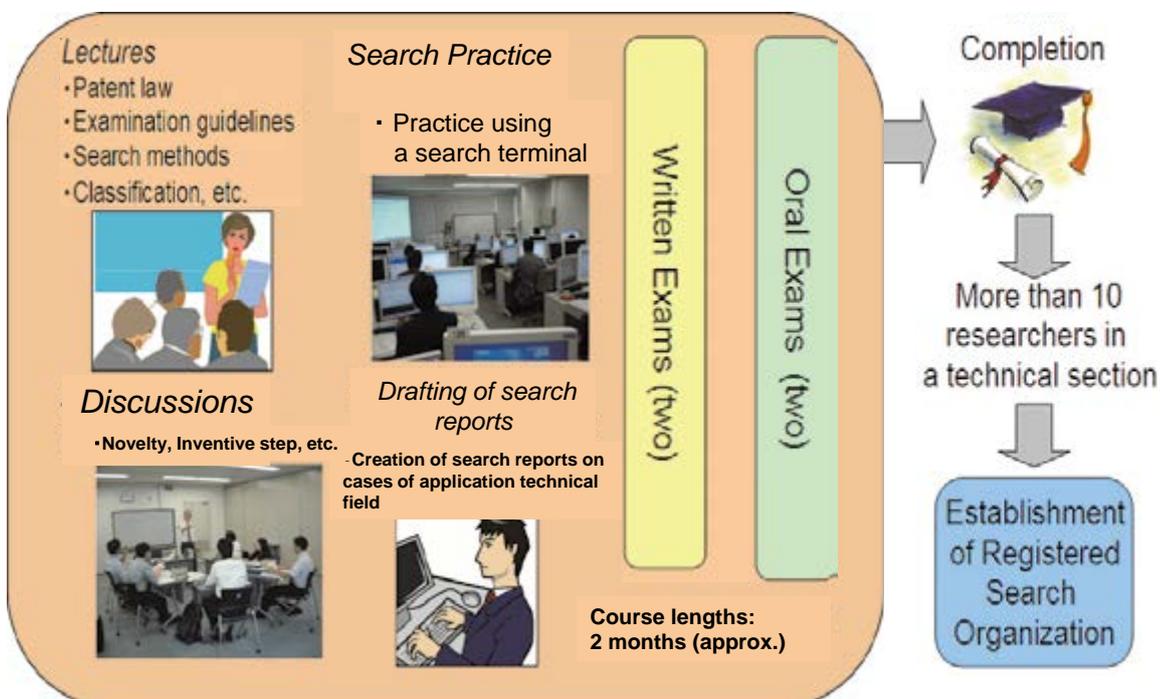
The steady training of searchers performing highly accurate prior art searches is particularly important to ensure speedy patent examinations.

Therefore, this training course is designed to have trainees acquire comprehensive, fundamental skills that are required of them as searchers. The course provides them the knowledge necessary to make prior art searches by systematically acquiring this basic knowledge through practical training and debate.

◇Results in FY2013

Total number of participants: 591

Figure 2-7-5 Outline of Training for Searchers



**b. Skill-up Training for Searchers**

The skill-up training for searchers is provided for the purpose of building up the capabilities required as searchers by learning how to conduct searches based on logics of inventive step, review inappropriate search reports and provide guidance on them.

◇Results in FY2013

Total number of participants: 10

**5) Cooperation with Private-sector Organizations on the Development of Human Resources related to Intellectual Property**

The INPIT is participating in “The Development of Human Resources related to Intellectual Property Education Promotion Conference,<sup>1</sup>” exchanging information with other participating organizations on IP human resources development, making suggestions for human resources development, and exchanging opinions on cross-sectional matters concerning intellectual property training.

In FY2013, the Intellectual Property Education Promotion Conference hosted seminars three times under the theme “Intellectual Property management Human Resources who contribute global business strategy” for the purpose of presenting an image of IP human resources required in the future and introducing methods of developing leading IP human resources.

**6) Cooperation with Intellectual Property Human Resources Development Organizations Overseas**

The INPIT has collaborated and cooperated with intellectual property human resources development organizations overseas due to an increasing need for international cooperation in intellectual property human resources development.

The INPIT regularly holds meetings, in

particular, with the CIPTC (China Intellectual Property Training Center), and IIPTI (International Intellectual Property Training Institute) to discuss human resources developing projects. The INPIT has advanced specific cooperative measures. For example, the INPIT concluded a memorandum of cooperation (MOC) to exchange information on training curriculum and implement training to develop intellectual property human resources, in collaboration with the two organizations.



<sup>1</sup> It was established in response to a suggestion on a council to promote IP human resources development in the comprehensive strategy for intellectual property human resources development decided in the Intellectual Creation Cycle Specialized Investigation Committee, Intellectual Property Strategy Headquarters Meeting which was held in January 30, 2006.

Figure 2-7-6 Cooperation with IIPTI and CIPTC held in FY2013

	Place and period	Outline (major agreement and achievements)
Fourth Japan-China-Korea Human Resources Developing Organization Directors' Meeting	September 2013, Seoul	The three organizations agreed to cooperate in utilizing the Japan-China-Korea Collaboration Seminar as e-learning training source.
Second Japan-China-Korea Collaboration Seminar	September 2013, Seoul	This seminar was held for Korean patent attorneys and persons who engage in IP. The lecturers from the three countries gave talks on current status and trends on infringement lawsuits against patent rights and specific court cases.
Seventh Japan-China Human Resources Developing Organizations Collaboration Meeting	October 2013, Tokyo	The three organizations agreed to cooperate in utilizing the Japan-China Collaboration Seminar as e-learning training source.
Third Japan-China- Collaboration Seminar	October 2013, Tokyo	The lecturers were invited from China to hold this seminar on the substantive examination procedures based on the Chinese guidelines for examination of patents for Japanese patent attorneys and persons who engage in IP.

## (2) Human Resource Cultivation for Students

### 1) Project for Promoting Creativity and Practical Ability and Exploitable Ability Concerning Intellectual Property

The JPO and the INPIT provide support to specialized high schools (industry, commerce, agriculture and fishery) and technical colleges that cultivate intellectual creativity at places that conduct manufacturing and product cultivation. This aims to give students an opportunity to acquire “creative ability” that enables them to plan and suggest new things and structures, “practical ability” that enables them to realize such plans and suggestions in the rules of the real world, and “exploitable ability” that enables them to turn creative ideas into exploitable forms in the real world through the process of turning ideas into a concrete shape of intellectual property and the process of preparing for a simulated patent application. This program started in FY2000, and in FY2013, the number of schools that participated in this program reached 113. Moreover, in FY2013, an exhibition of achievements and a presentation of achievements were held at the 23rd National Industrial Education Fair in Aichi with the participation of 18 schools, and a booth for the “project for cultivating creativity, practical ability and exploitable ability related to intellectual property” was set up.

### 2) Patent Contests and Design Patent Contests

The JPO, together with the MEXT, the Japan Patent Attorneys Association, and the INPIT, held Patent Contests and Design Patent Contests. At the contests, particularly excellent inventions and designs created by students at high schools, technical colleges, and universities nationwide are recognized and given awards. The JPO holds the patent contests to raise IP awareness in students and promote the understanding of the intellectual property system. The purpose of both contests is that students experience the process of creating inventions and designs in order to seek IP rights for particularly excellent inventions and designs, some actually going as far as to be patented or designed.

In these contests, students at high schools, technical colleges, and universities nationwide are encouraged to exhibit their inventions/designs. Particularly excellent work is selected to receive support in filing for patents or designs. Students who created inventions and designs that were given awards may receive the following support in the process of filing of applications to acquire patent rights or design rights.

- Advice from patent attorneys (the organizer bears the cost)
- Support to cover the cost of patent application fee, design registration application fee, patent examination fee, annual fee (from the first year to the third year), and design registration fee (first year)

The Patent Contest started in FY2002 and so far 178 innovations out of 2,781 have been selected to receive support to file patent applications, with 98 actually being given patents (as of February 20, 2014). As for the Design Patent Contests, which started in FY2008, 163 applications out of 1,045 have been selected to receive support of to fill design registration applications, with 120 actually being given designs (as of February 20, 2014).



The Patent Contest and the Design Patent Contest Submitted poster



## 2. Intellectual Property Achievement Award

Since 1987 the Ministry of Economy, Trade and Industry (METI) and the JPO has been giving Minister of Economy, Trade and Industry Awards and Commissioner of the Japan Patent Office Awards on April 18 every year, which is “invention day”. These awards are given to a contributors related to the intellectual property rights system and to awards to good-standing companies utilizing the intellectual property rights system. These awards, which are collectively called “the Intellectual Property Achievement Award”, are given to individuals who contributed to the cultivation, dissemination, and promotion of the intellectual property systems and to companies that contributed to smooth operations and cultivation of the intellectual property systems by effectively utilizing them.

In FY2014, the awards ceremony was held on April 18 at the Tokai University Club. The term used for the two awards was changed from “industrial property systems” to “intellectual property systems” in FY2014.



Minister of Economy, Trade and Industry Awards



Awards of the Commissioner of the Japan Patent Office Awards

### (1) Awards for Contributors to the Intellectual Property Rights System

#### 1) Awards of the Minister of Economy, Trade and Industry Awards

Hidetaka AIZAWA (Tokyo)

(Professor at the Graduate School of International Corporate Strategy, Hitotsubashi University)

■ Professor Aizawa has been a member of the Patent Attorney Examination and Disciplinary Committee and a chairman of the Examination System Working Group of the Patent Attorney Examination Committee of the Industrial Property Council, and contributed to the proper execution of the patent attorney system by devoting his time to creating various guidelines and principles for implementing the patent-attorney test system and creating questions for the patent attorney examination.

■ As a deputy chairman of the IP Specialized Service Subcommittee of the Legal System Committee of the Industrial Property Council, Professor Aizawa has played a leading role in discussions on issues such as the patent attorney system, alternative dispute resolution, and the most ideal direction for patent lawsuits. He contributed to the development of the intellectual property system through reviewing the patent attorney system by serving as a chairman of the Patent Attorney System Subcommittee of the Intellectual Property Committee (Intellectual Property Policy Committee) of the Industrial Structure Council.

■ Professor Aizawa greatly contributed to enhancing deliberations and revising the intellectual property system by serving as a chairman of the Medical Practice Working Group, and a member of the Patent System Subcommittee, Working Group to Study Terms of Regenerative Medical Products, and Working Group on Problems related to Patent Strategy Plan, at the Intellectual Property Committee under the Industrial Structure Council, and as a member of the Committee for Verification, Evaluation and Planning under the Intellectual Property Strategy Headquarters.



Kiyoshi ASAMURA (Tokyo)  
(Patent attorney: Chief Partner of ASAMURA Patent Office, p.c.)

■ Mr. Asamura established the Asian Patent Attorneys Association (APAA) in 1970 and served as its President for two terms, from 1994. He sent members from the APAA to diplomatic conferences and committees of the WIPO and provided his opinions as a patent practitioner so as to contribute to the smooth operations of the intellectual property systems. Moreover, Mr. Asamura has greatly contributed to promoting mutual understanding among foreign countries on the intellectual property system by playing an active role in meetings and ceremonies held by overseas IP organizations.

■ As Mr. Asamura recognized the necessity of protecting patents in China. He devoted himself to establishing the Chinese intellectual property system and patent attorney system. Particularly, he has contributed to developing the intellectual property system in China and fostering international cooperation based on mutual understanding through participation in activities of the All-China Patent Attorneys Association and the China Patent Cooperation Association, and providing guidance to trainees from China for twenty years.

■ Mr. Asamura has been a member of the International Activities Center under the JPAA and has been devoted to conducting research studies on international trends in intellectual property systems for many years. When Mr. Asamura served as the Director of the Center, he contributed to improving the practical capabilities of the JPAA members by actively holding exchanges with overseas IP organizations and collecting information on system revisions and court cases in other countries.

Hidesato IIDA (Tokyo)  
(Attorney: Chief Partner of Haru Law Office)

■ Mr. Iida has worked to promote the intellectual property system, serving as the first chairman of the Intellectual Property Center established in 2009 under the Japan Federation of Bar

Associations. He proposed legislation for every intellectual property law, and established a system to address problems over the jurisdiction of international courts and issues with developing lawyers who are familiar with the field of intellectual property. In particular, when the Patent Act was revised in 2011, Mr. Iida set up a project team to deliberate on a major revision of the Patent Act, under the Intellectual Property Center, and collected opinions as its chairman.

■ Based on his experience as a lawyer in intellectual property rights lawsuits, Mr. Iida has contributed to promoting the intellectual property system and developing human resources by giving lectures on intellectual property laws at several universities and at seminars held by IP organizations.

■ As a member of the Investigation Committee for the Development of Practical Capabilities in Patent Infringement Lawsuits under the JPO, Mr. Iida has contributed to improving the level of expertise and practical capabilities of patent attorneys, by devoting himself to compiling the first practical teaching material on patent infringement lawsuits titled "Practices for Patent Infringement Lawsuits". It is used in the Patent Attorney Capacity Development Training.

Katsushige NAKAMURA (Tokyo)  
(President of Mitaka Kohki, Co., Ltd.)

■ Mr. Nakamura has served on the Intellectual Property Committee under the Industrial Structure Council, serving as a member, when he made proposals on funding initiatives to promote the utilization of IP and provide support for SMEs, in collaboration with financial institutions and IP advisors.

■ As a member of the Patent System Subcommittee of the Intellectual Property Policy Committee of the Industrial Structure Council, Mr. Nakamura has contributed to the consideration and deliberation of improvements to make the patent system more convenient in terms of procedures and the post-grant review system, in order to ensure that robust and

stable rights are promptly granted. Currently, he participates in deliberations on the desired direction for the employee invention system, as a member of the Patent System Subcommittee of the Intellectual Property Committee of the Industrial Structure Council.

■As a manager at a representative Japanese manufacturing SME, Mr. Nakamura has given lectures at many universities and local governments on his own company's patent strategies and business strategies and proposed the importance of IP strategies for SMEs. Moreover, he participated in the 12th Expert Panel on the Strengthened Right Protection Infrastructure at the Intellectual Property Strategy Headquarters as a panelist and pointed out the current status and problems concerning the utilization of intellectual property by SMEs and proposed solutions.

## 2) Awards of the Commissioner of the Japan Patent Office Awards

Tokuji KAJIWARA (Tokyo)  
(Chairman of KAJIWARA Inc.)

■Mr. Kajiwara has advanced projects for nurturing the creativity in young people for many years, serving as a board member of the Japan Institute for Promoting Invention and Innovation, Tokyo Branch. Moreover, he has contributed to developing next-generation human resources who engage in the IP system and IP education in the local communities by devoting himself to establishing the Boys and Girls Invention Club Taito, the first of its kind in Tokyo, in 1994; and administering it as a vice president.

■Mr. Kajiwara has devoted himself to developing local regions, including promoting the IP system in SMEs and developing human resources by taking advantage of his knowledge as a manager at an SME. He served as a vice-president of the Taito Chapter of the Tokyo Chamber of Commerce and Industry and as vice-president of the Intellectual Property Strategy Committee.

Hisashi KATO (Fukuoka Prefecture)  
(Patent attorney: President of Kato Patent Office)

■Mr. Kato served as both chief and assistant chief of the Kyushu Branch of the JPAA. He has devoted himself to concluding a comprehensive and collaborative agreement between the JPAA Kyushu Branch and nine technical colleges in Kyushu and Okinawa, worked to promote and develop IP education in Kyushu. Moreover, he has promoted IP strategies of Kumamoto Prefecture by playing a central role in concluding the Agreement on Cooperation for Industrial Promotion and Local Revitalization by Utilizing Intellectual Property between the JPAA and Kumamoto Prefecture.

■As a member of the Kyushu Intellectual Property Strategies Council and the executive board meeting of this Council, Mr. Kato contributed to formulating the Kyushu Intellectual Property Promotion Plan by commenting on the importance of IP activities from the viewpoint of an expert.

Mitsuo SAKAMOTO (Saitama Prefecture)  
(Patent attorney: Director of Mitsuo Sakamoto Patent Office)

■As a chairman of the Disciplinary Committee of the JPAA, Mr. Sakamoto contributed to formulating the Guidelines for Advertising Members in order to improve user convenience through promoting competition among patent attorneys and improving the service standards in response to the full revision of the Rules and Regulations of the JPAA in 2001. He also helped create an article-by-article explanation of the guidelines. These guidelines are still used as rules when patent attorney place advertisements.

■Mr. Sakamoto is in charge of free consultations provided by the Tokyo Branch of the Japan Institute for Promoting Invention and Innovation, belonging to the Study Group on Intellectual Property Rights for Member Patent Attorneys of the Tokyo Branch of the said Institute, and served as its chairman from 2009 until now. He has contributed to the promotion and development of the IP system by actively cooperating in the Invention Consultation Meeting hosted by the JPO and

administering various projects.

Mamoru MATSUOKA (Mie Prefecture)  
(Professor of Mie University)

■ Professor Matsuoka has worked to instill the importance of providing curriculum on IP in primary education. He established the IP Education Subcommittee under the Intellectual Property Association of Japan as one of its founders in 2007 and assumed the post of the first chairman. He has contributed to promoting IP education by devoting himself to holding IP Education Study Meetings nationwide and building up networks for persons who provide IP education.

■ Professor Matsuoka served as a panelist at the Asia IP Academic Conference held in 2009 and proposed holding international exchanges for practicing IP education and international research exchanges on IP education. He has contributed to international cooperation and exchanges in terms of the IP human resources development by promoting manufacturing and IP education with foreign students in China.

## (2) Awards for Good-standing Companies Utilizing the Intellectual Property rights System

### 1) Awards of the Minister of Economy, Trade and Industry Awards

#### a. Utilization of Enterprises Excelling in Patent Exploitation

iPS Academia Japan, Inc. (Kyoto)

■ iPS Academia integrally manages intellectual property obtained as a result of research and strategically obtains licenses for disseminating technologies with the aim of returning the achievements of global iPS-cell research, including those of the Center for IPS Cell Research and Application, Kyoto University, to society and utilizing and commercializing iPS-cell-related technologies in the medical field.

■ iPS Academia has set up a portfolio of patents to be licensed by obtaining working licenses with sublicenses for patent applications and patent rights on iPS-cell technologies from not only Kyoto University but also other universities and research institutes.

■ iPS Academia has formulated and implemented clear licensing policies, allowing non-profit agencies to use intellectual property without charge, provided that if it is used for non-commercial purposes only such as for academic research and education; and for-a-profit organizations to grant non-exclusive licenses at fair and reasonable costs.

Nitto Denko Corporation (Osaka)

■ Nitto's has a Global Niche TopTM strategy to gain the world's No.1 share in niche fields in which its unique, differentiated technologies can be utilized by carefully selecting, changing, and growing markets; and an Area Niche TopTM strategy to supply products satisfying the needs of those fields. In response to its business operations outside Japan, Nitto has modified its IP strategy, from the protection of products to the protection of business.

■ Nitto modified its business model, from manufacturing and processing liquid optical films in Japan and transporting them to customers for on-site setup, to establishing seamless manufacturing facilities for the assembly and manufacture of panels, starting from manufacturing materials on site (roll-to-panel model). This business model was patented at the same time as were patents for protecting intellectual property. This business model is a prototype of "collective examinations in response to corporate business strategies" undertaken by the JPO from FY2013 as a business-oriented initiative for protecting intellectual property.

■ Nitto has taken advanced and strategic initiatives for intellectual property not only by acquiring patents on the roll-to-panel strategy but also by acquiring similar rights overseas at an early stage through the Patent Prosecution Highway (PPH).

#### b. Utilization of Enterprises Excelling in Design Exploitation

MTG Co., Ltd. (Aichi)

■ MTG has established its principles for maximizing the utilization of intellectual property rights in view of global expansion

and strengthened its internal intellectual property management framework. Under this framework, MTG has strategically filed applications for patents, designs, and trademarks and acquired rights and undertaken business activities focusing on intellectual property rights.

■ MTG implements detailed IP protection for each important product by setting up a design portfolio by combining designs for whole articles, partial designs, and secret designs timed to the launch of sales.

■ MTG not only acquires design rights but also actively utilizes them. For example, MTG has requested customs authorities to seize counterfeit products, citing its design rights as the basis for such injunctions. The number of injunctions filed by MTG accounted for 40% of the total number of injunctions under the design right handled by the custom authorities nationwide in 2011.

### c. Utilization of Enterprises Excelling in Trademark Exploitation

Noevir Co., Ltd. (Hyogo)

■ 「NOEVIR」 is a Latin-based trademark used for the company name and brand in line with the company's global operations. It has been registered as trademark in 66 countries. Noevir has adopted a brand strategy, positioning the trademark as means to identify quality. For example, the Noevir brand is used for the most luxurious line of products.

■ Noevir's IP department and quality assurance department together work to build up a high-quality brand image differentiated by trademarks that stand for product quality based on its own patented technologies and quality assurance. It has adopted a business strategy by combining intellectual property rights with business operations, achieving an image of quality backed by its trademark.

■ The brand value of Noevir has been strengthened based on the company's initiatives to widely promote it, such as implementing stricter measures to combat counterfeit products

in Southeast Asia and acquiring name rights to the NOEVIR Stadium Kobe.





## Part 3

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# Efforts Made by Japan through International Frameworks





## 1. Efforts on Multilateral Meetings

This section presents initiatives that the JPO has undertaken in the area of multilateral meetings such as the IP5 Meetings whose member offices handle nearly 80% of all patent applications filed worldwide; the Trilateral Conference among the JPO, the EPO, and the USPTO; the TM5 Meetings whose second meeting was held in December 2013; the ASEAN-JAPAN Heads of Intellectual Property Offices Meetings, which will gain even greater importance in the future; and the Trilateral Policy Dialogue Meeting among the JPO, the SIPO and the KIPO whose recent meeting was held in Sapporo in November 2013.

### (1) Meeting of the Five IP Offices: JPO, EPO, KIPO, SIPO, and USPTO

#### 1) Background

Approximately 1.88 million patent applications, which account for nearly 80% of the 2.35 million patent applications filed in 2012 worldwide, were filed with the five IP offices, the “IP5 Offices”. In order to lead the global efforts in the intellectual property field, the heads of the IP5 Offices met for the first time in Hawaii, U. S.A., when they held the first Meeting of the IP5 Heads of Office. The IP5 Offices discuss issues such as the mutual sharing of examination results, simplification of procedures, and the maintenance and improvement of quality of examinations, in order to respond to the increase in patent applications being filed and the associated increase in workload. Also, in order to advance projects aimed at standardizing application formats, enabling easy access to examination results of the Offices, and making other important initiatives possible, vigorous discussions have been held on the working level in three working groups (WG1: Classification, WG2: Information Technology, and WG3: Examination).

At the sixth Meeting of the IP5 Heads of Office held in June 2013, the participants agreed to initiate activities on the Global Classification Initiative (GCI), in place of the previously used CHC, as the framework for further cooperation among the IP5 Offices in the area of classification. In addition, the members discussed the issues and future roadmaps of services under the Global

Dossier Initiatives, which would like to have as soon as possible, agreeing to continue cooperation to promote the Global Dossier.

## 2) Outline of Each Project

### a. WG1: Classification Harmonization<sup>1</sup>

This is a project for segmentalizing the International Patent Classification (IPC) by making use of the detailed internal classification systems currently in use at each office. The IPC has already been issued for fourteen project fields among a total of eighteen projects that the IP5 Offices agreed to start, with discussions continuing on issuing the IPC for the remaining project fields. WG1 held its first meeting after an agreement had been reached to initiate activities on the GCI in November 2013, and decided to start new projects to revise the classification of sixteen technical fields.

### b. WG2: IT-supported Business Processes

#### Common Documentation

This is a project that enables examiners to search databases at each office in order to access the same document scopes. Policies and definitions of common documentation have been agreed, with discussions still ongoing as to each office’s analysis of a search database and the exchange of media-less data.

#### Global Dossier<sup>2</sup>

The Global Dossier aims to connect the IP5 Offices’ systems, including their databases of information related to applications and examination (dossier information), in order to develop a virtual common system that will enable examiners, applicants, and the general public to easily access necessary data. The IP5 Offices released in July 2013 the one portal dossier (OPD) that enables the one-stop display of dossier information on related applications at each office. Currently, efforts are underway based on the Global Dossier Initiative to use the OPD as a core system for collaborating with WIPO-CASE, which WIPO has developed for small and medium-sized offices so as to enable them to

<sup>1</sup> See Part 2, Chapter 1, 4.(3), 1)

<sup>2</sup> See Part 2, Chapter 5, 2, (2)

share dossier information among WIPO-CASE participants. This is aimed at expanding networks so that they can share dossier information and make such information available to general users. In addition, a mid- to long-term study is being conducted on a service that will simplify procedures and enable applicants to file applications to multiple countries more easily and quickly.

#### Common Application Format

This is a project that enables applicants to submit description, claims, abstract, and drawings of patent applications to every office based on a common application format. In 2012, the IP5 Offices finally agreed the Common Application Format (CAF) Definition, with the JPO playing a leading role in preparing it. The IP5 Offices aim to have it adopted by a wide range of IP offices, based on the CAF document agreed to by the Trilateral Offices. Also, the State Intellectual Property Office of the People's Republic of China (SIPO) started to accept applications based on the CAF in August 2012, and so filing applications based on the CAF is now possible at all IP5 Offices.

#### c. WG3: Examination Practice-related Projects Common Training Policy

This is a project to enable all the IP5 Offices to share information with the other offices about examiner training. The IP5 Offices are discussing what specific actions should be taken in the future, such as having their respective examiners participate in seminars conducted by the other offices.

#### Common Examination Practice Rules and Quality Management

This is the project for finally standardizing the examination practices rules and the quality management system by sharing information and analysis about them among the IP5 Offices. In 2013, the IP5 Offices discussed developing guidelines on search practices and holding meetings on quality management. As a result, the IP5 Offices agreed to develop such guidelines after they have selected the technical fields to be covered. In addition, they agreed to hold an IP5 Quality Management Meeting at the time when

the next meeting of WG3 is convened.

#### Common Statistical Parameter System for Examination

This is a project for clarifying statistical parameters (indexes) that have different definitions among the IP5 Offices, and for creating common examination statistical parameters comparable at each office so as to enable the statistical information on examination processes to be exchanged based on using the comparable statistical parameters. The IP5 Offices have decided to study how they should correct such common statistical parameters and how they should drive work sharing based on statistical information exchanged under such common parameters.

#### Patent Prosecution Highway among IP5 Offices<sup>1</sup>

This is an initiative for launching a Patent Prosecution Highway (PPH) pilot program among just the IP5 Offices, under the objective of further improving the PPH. The IP5 Offices started the pilot program in January 2014. This means that now there are PPH programs being implemented between the EPO and SIPO, as well as between the EPO and KIPO. PPH programs were not being implemented between these office-pairs before. In addition, all PPH programs, i.e., the regular, the MOTTAINAI, and the PCT, are now being implemented. The IP5 Offices will further discuss how to improve quality management systems through the PPH arrangements among the IP5 Offices.



<sup>1</sup> See Part 2, Chapter 1, 4, (2)



The sixth Meeting of the IP5 Heads of Office in June 2013 in Silicon Valley, the U.S.  
(Photo, from left to right) KIPO Commissioner Kim, SIPO Commissioner Tian (now retired), USPTO Acting Director Rea (now retired), EPO President Battistelli, JPO Commissioner Fukano (now retired), and WIPO Director General Gurry

### 3) Patent Harmonization

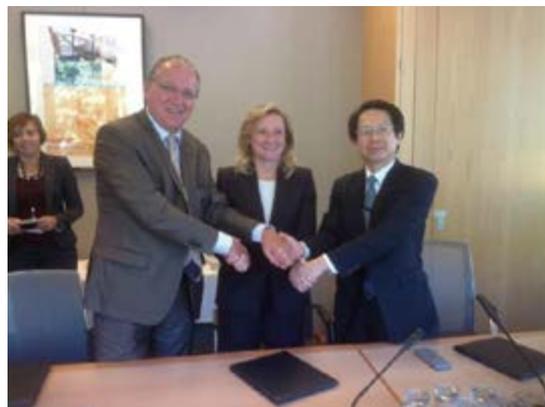
At the fifth Meeting of the IP5 Heads of Office held in June 2012, it was agreed to establish a Patent Harmonization Experts Panel to discuss system harmonization among the IP5 Offices. At the second meeting of the Patent Harmonization Experts Panel held in November 2013, experts from the IP5 Offices, after having shared the latest information on the results of patent system surveys, discussed which topics should be studied in the future to achieve harmonization, and how to proceed with the studies

#### (2) Trilateral Conferences among the JPO, the EPO and the USPTO

The Trilateral Offices, namely the JPO, the EPO and the USPTO, established a Trilateral Conference in the early 1980s to solve issues caused by a rapid increase in the number of patent applications being filed. The JPO, the USPTO and the EPO held their first Trilateral Conference in 1983. The Trilateral Conferences have been held to discuss a wide range of subjects such as Information Technology (IT), work sharing, and the PCT. The Trilateral Cooperation celebrated an historic event, its 30th year, in November 2012.

At the 31st Trilateral Conference in September 2013, the Trilateral Offices decided to discuss mutual interests between the Trilateral Offices and Industry at future Trilateral Conferences. The Trilateral Offices also decided

to undertake joint projects and to hold ad hoc meetings as appropriate.



31st Trilateral Conference held in September 2013 in Geneva, Switzerland

(Photo) EPO President Battistelli, USPTO Acting Director Rea (now retired), JPO Commissioner Hato (now retired)

### (3) TM5 Annual Meeting

#### 1) Background

The "TM5" is a framework<sup>1</sup> established in December 2011 under which the Japan Patent Office (JPO), the United States Patent and Trademark Office (USPTO), the Office for Harmonization in the Internal Market (OHIM), the Korean Intellectual Property Office (KIPO) and the State Administration for Industry and Commerce (SAIC) cooperate to ensure that trademarks and designs of companies in their countries are securely protected and properly used all over the world. The first TM5 annual meeting was held in Barcelona, Spain in October 2012.

The second TM5 annual meeting was held in December 2013, in Seoul, Korea. During the Meeting, the TM5 offices discussed joint projects and held a user session with representatives from user organizations participating in and exchanging their views on joint projects, as well as on the systems and operations in their respective countries.

#### 2) Outline of Projects on Trademarks\*

\*Offices in the parentheses are the lead offices

<sup>1</sup> Since designs are not under SAIC's jurisdiction, the four offices of Japan, U.S.A, Europe and Korea hold an expert meeting in the field of designs.

#### **a. Project against Bad Faith Trademark Filing (JPO)**

The registering of trademarks by third parties, who are in no way related to the owners of the trademarks such as famous regions or brand names, with overseas offices without the owners' consent is a serious issue. Trademark registrations of this type are called "bad faith trademark filings." As part of this project, the JPO held a seminar in October 2013, which was called the "Seminar on Bad-faith Trademark Filings". This seminar was highly recognized at the second TM5 annual meeting, as a forum to provide users with information about the systems of various countries. The JPO agreed to hold a second Seminar on Bad-faith Trademark Filings in tandem with the 136th Annual Meeting of the International Trademark Association (INTA) held in Hong Kong in May 2014.

#### **b. Project for Image Search of Figurative Trademarks (JPO)**

This is a project for jointly studying the feasibility and issues of using an image search system for trademark examinations, in order to reduce the work involved with searching figurative trademarks. Currently, searches are being conducted based on the Vienna Classification. At the second TM5 annual meeting, the JPO presented an interim report, showing the results of its study conducted to solve issues with image search systems. The TM5 offices agreed to hold a working-level meeting to discuss the subjects in more detail.

#### **c. Project to Improve Convenience of Applicants of the Madrid Protocol by Enriching Information Provision (JPO)**

The number of applicants who use the Madrid Protocol has been increasing year after year, because the protocol allows applicants to file one application to register their rights with multiple offices. However, legal systems and procedures to acquire trademark rights differ from country to country, such as deadlines given to applicants to respond to office actions, so applicants have difficulty in accessing information they need. There is also the issue of language barriers as well. In order to solve this issue, the JPO proposed a new project to provide

information that users need in a more user-friendly manner, based on cooperation among the TM5 offices. Based on views submitted by the partner offices to the JPO, it is scheduled to present its detailed proposal at the next TM5 interim meeting scheduled for May 2014.

#### **d. Project for User-friendly Access to Trademark Information (OHIM)**

The TM5 offices are considering whether to participate in "TM view", a tool to enable users to search and check applications and registered trademarks of national trademark offices in detail, all at one time. This is information stored by the OHIM.

#### **e. Project for Taxonomy and TMclass (OHIM)**

"TMclass" is a tool developed by OHIM that enables users to search and check the identifications of goods and services at one time.

"Taxonomy" is an attempt to introduce a hierarchical structure into the identifications of goods and services stored in TMclass and display such identifications. Officers in charge of classification at the TM5 offices gathered in the U.S. in October 2013 to hold a TM5 Classification Experts Meeting. They agreed to continue discussions on the hierarchical structure and group titles.

#### **f. Project for Common Statistical Indicators (OHIM)**

This is a project to regularly exchange data about each of the TM5 offices based on agreed common statistical indicators, and to verify such common statistical indicators. The TM5 offices have agreed to exchange their statistical data once a year, and post that data on the TM5 website.

#### **g. ID Project (USPTO)**

This is a project to create a list of indications of goods and services (the TM5 ID List), which will be regarded as acceptable indications that can be designated in trademark applications, and which will be acceptable to all the TM5 offices. Currently, the List contains about 15,000 indications of goods and services. In addition to the TM5 offices, five offices (Canada, Mexico, the Philippines, Russia and Singapore)



signed a Memorandum of Cooperation and are currently participating in this project. The TM5 offices have agreed to urge ASEAN member countries to participate in this project and requested WIPO to consider integrating the indications that are on the TM5 ID List into WIPO's MGS in the future.

#### **h. Project for Common Status Descriptors (USPTO)**

The TM5 offices are discussing the idea of creating a uniform set of status descriptors that each TM5 office would use to give users clear information about the status of any particular trademark applications or registrations. For example, the status descriptors will show that a right has elapsed, is current, or is being appealed.

#### **i. Project for TM5 Website (KIPO)**

This is a project for developing a TM5 website, with the aim of providing sufficient information to users about TM5 activities.

#### **j. Project for Comparative Analysis of Examination Results (KIPO)**

This is a project to analyze the examination results of applications whose applicants designated the TM5 offices through the Madrid Protocol, in order to deepen each office's understanding of examination guidelines and practices at the other offices. KIPO proposed this project at the second TM5 annual meeting, with the TM5 offices agreeing to it.

### **3) Outline of Projects in the Field of Designs**

#### **Releasing a Comparative Report on Drawing Requirements for Designs**

In order to enhance convenience to companies that file applications to register designs with multiple offices, the TM5 offices have agreed to decide by the next TM5 interim meeting, whether to release a report comparing view and drawing requirements at each TM5 office, such as the number and types of drawings, because the requirements differ from one TM5 office to another.

#### **(4) ASEAN-JAPAN Heads of Intellectual Property Offices Meeting**

The ASEAN countries have achieved outstanding economic development in recent years. It is predicted that the demand for high-quality and high-value added products and services will increase, and the demand for good technologies, designs, and brands will increase as the number of people in the high and middle income classes increases in the ASEAN countries. Also, the ASEAN region intends to create a unified community by 2015, aiming to liberalize economic activities in the ASEAN region. It is anticipated that the ASEAN region will become a large economic area more important to Japan than ever. Due to such circumstances, improving the ASEAN industrial property right systems has become an urgent issue in terms of promoting trade and investment activities.

The JPO has strengthened cooperation on intellectual property with the ASEAN to support Japanese companies' global business activities, and held the first ASEAN-JAPAN Heads of Intellectual Property Offices Meeting in February 2012. In July 2012, the second ASEAN-JAPAN Heads of Intellectual Property Offices Meeting was held in Singapore, and a memorandum of cooperation was concluded between the JPO and the Intellectual Property Offices of the ASEAN countries.

The memorandum of cooperation is expected to enhance capabilities in the ASEAN Region and Japan in the areas of industrial property protection systems, transparent and streamlined examination procedures and practices, industrial property administration, industrial property exploitation by the private sector, and awareness of industrial property.

#### **〈Specific Provisions of the Memorandum for Cooperation〉**

- Improvement of industrial property protection systems including exchange of experiences and knowledge on industrial property policy and improvement of laws (statutes and case laws), regulations, guidelines or manuals, consistent with international standards
- Establishment of transparent and

streamlined examination procedures and practices including worksharing at the international level, exchange of experiences and knowledge on quality control and examiners' training and sharing statistical data, where appropriate, in a manner consistent with the respective national laws

- Industrial property administration including exchange of experience on general management and information technology (IT) infrastructure/systems
- Development of industrial property exploitation by the private sector including small-and-medium-sized enterprises
- Exchange of information and cooperation on appropriate initiatives to promote awareness of industrial property
- Cooperation in human resource development to advance the capabilities of the ASEAN IPOs

In April 2013, the third meeting of ASEAN-JAPAN Heads of Intellectual Property Offices was held in Kyoto. At the meeting, an action plan was adopted to be implemented in FY2013. Based on this action plan, new cooperative activities were promoted, including strengthening the support for introducing IT such as initiating the development of a Dossier access function for ASEAN users; strengthening cooperation with international organizations such as the Economic Research Institute for ASEAN and East Asia (ERIA) and WIPO; and providing enhanced support for examination practices such as classification and PPH.

In July 2014, the fourth meeting of ASEAN-JAPAN Heads of Intellectual Property Offices was held in Ho Chi Minh City. At the meeting, a new action plan was adopted to be implemented in FY2014. Based on this action plan, new cooperative activities are being promoted, including building human resource development schemes; supporting capacity-building of examination practices in the fields of designs and trademarks; holding seminars being hosted jointly by governments and private sectors; helping strengthen IT system infrastructure at each of the IP Offices to enhance efficiency in examinations and other work operations by means including utilization

of the WIPO-CASE system..

## **(5) Cooperation among the JPO, the KIPO and the SIPO**

### **1) Trilateral Policy Dialogue Meeting**

The JPO, the KIPO and the SIPO have taken turns holding the Trilateral Policy Dialogue Meeting every year since 2001, at which opinions on the initiatives taking place among the three offices are shared. The meetings are also designed to find solutions to common issues faced by them.

At the 13th Trilateral Policy Dialogue Meeting hosted by the JPO and held in Sapporo, Japan in November 2013, the three offices discussed cooperation in the fields of patents, designs, information technologies, and IP human resource development, as described below.

#### **a. Cooperation in the Field of Patents**

The three offices released a report, compiled at The Joint Expert Group for Patent Examination (JEGPE), on a comparative study conducted on laws and examination guidelines involving "description requirements". In addition, they agreed to cooperate by exchanging information on their respective examination activities, in order to improve the quality of their patent examination practices.

#### **b. Cooperation in the Field of Design**

The three offices confirmed the fruitful results of the Japan-China-Korea Design Forum held in Wuxi, China in May 2013, where they exchanged views with users on subjects such as partial designs. In addition, they agreed to send their design experts to the Japan-China-Korea Design Forum to be held in Korea in May 2014, in order to actively cooperate on the forum.

#### **c. Cooperation in the Field of Computerization**

The three offices adopted and publicized their Ten Year Development Report summarizing their cooperative activities in the field of automation. In addition, the three offices confirmed that their website called TRIPO would be launched for the generic public during the 2013 Trilateral Policy Dialogue Meeting. TRIPO contains reports on comparative studies, statistics, and information on laws and

regulations in each of the countries. They agreed to cooperate further by better publicizing their website.

#### **d. Cooperation in the Field of Human Resource Development**

At the Human Resource Development Organization Heads Meeting of the CIPTC, IIPIT and INPIT, the three offices took note of the progress being made in the area of e-learning and other areas of their cooperative activities, agreeing to collaborate more going forward.

#### **e. Cooperation in the Field of Trials and Appeals**

The three offices took note of the importance of a Joint Expert Group for Trials and Appeals (JEGTA), whose first meeting was held in August 2013. They agreed to hold JEGTA meetings regularly to exchange information on their trial and appeal systems, and statistical data, as well as compare and study the differences in their trial and appeal procedures.

#### **f. Trade Secret Protection**

The JPO proposed and the three offices agreed that they would collect and exchange information on their initiatives designed to protect trade secrets, and conduct a study with experts in order to promote their cooperation for effective protection of trade secret.



The 13<sup>th</sup> Trilateral Policy Dialogue Meeting

## **2) Outline of Projects**

The projects discussed at the 13th Trilateral Policy Dialogue Meeting are described below.

### **a. Joint Expert Group for Patent Examination (JEGPE) of Japan, China, and the Republic of Korea**

At the Trilateral Policy Dialogue Meeting among the JPO, the KIPO, and the SIPO in March 2009, the three offices agreed to establish the Joint Expert Group for Patent Examination (JEGPE) of Japan, China, and the Republic of Korea, and conduct comparative studies on patent laws and examination standards. The first meeting was held in 2009. The JEGPE released reports on comparative studies and comparative case studies on inventive step and novelty. They also released a report on a comparative study of utility models. The JEGPE discussed laws, regulations, and examination guidelines on “description requirements” at its 5th meeting held in 2013. After that, the 13th Trilateral Policy Dialogue Meeting adopted and released the JEGPE’s comparative study report on this subject<sup>1</sup>.

### **b. Japan-China-Korea Design Forum**

Based on an agreement reached at the Trilateral Policy Dialogue Meeting, the Japan-China-Korea Design Forum has been held every year since 2010. The 4th forum was held in Wuxi, China in May 2013. The forum focused on protection of partial designs and GUIs. In addition to presentations made by representatives of the three countries on their respective systems and examples of applications filed by users, observers from the USPTO and WIPO made presentations on the U.S. system and the Hague Agreement, respectively.

<sup>1</sup> The JPO website publicizes the original reports and their Japanese translations.

- For the Comparative Study on Examination Practices among JPO, KIPO and SIPO: [http://www.jpo.go.jp/torikumi\\_e/kokusai\\_e/comparative\\_study.htm](http://www.jpo.go.jp/torikumi_e/kokusai_e/comparative_study.htm)
- For the Japan-China-Korea Comparative Table on Utility Model Systems: [http://www.jpo.go.jp/torikumi\\_e/kokusai\\_e/comparative\\_utility.htm](http://www.jpo.go.jp/torikumi_e/kokusai_e/comparative_utility.htm)

### c. Joint Expert Group for Automation (JEGA)

At the second Trilateral Policy Dialogue Meeting held among the JPO, KIPO, and SIPO to exchange information and encourage cooperation on IT among Japan, China, and the Republic of Korea, the three offices agreed to establish the Joint Expert Meeting for Automation (JEGA). This meeting has been held by one of the three offices in turn every year since 2003.

At the 11th JEGA held in Beijing, China in July 2013, the three offices exchanged views on how to proceed with discussions on the Global Dossier, as well on data quality management, data exchange, machine translation, and other subjects. In addition, at the Trilateral Policy Dialogue Meeting held in 2013, the three offices agreed to launch a website for the general public to show the three offices' activities in this regard. Furthermore, the three offices agreed to release a Ten Year Development Report summarizing the JEGA's activities over the last 10 years and it's already on their website.<sup>1</sup>

### d. Human Resource Development Organization Heads Meeting of the CIPTC, IIPTI and INPIT

At the 9th Trilateral Policy Dialogue Meeting among the JPO, KIPO, and SIPO in December 2009, the three offices agreed to hold a meeting of organizational heads to discuss areas of mutual cooperation such as training conducted at IP human resource development organizations in each country. This meeting has been held every year since 2010. In September 2013, the fourth meeting was held in Seoul, Korea, with participants exchanging information on training and support given for intellectual property education at each organization. Also, with regard to their future cooperation, they agreed that all the three organizations would try to develop e-learning contents in English which they could share, and that they would cooperate to launch an official website. On the sidelines of the meeting, the second Korea-China-Japan Joint Seminar was held focusing on the current situation and future trends in patent infringement lawsuits, and typical trials and judgments in the three countries.

<sup>1</sup> <http://www.tripo.org/>

## 2. Initiatives for Developing Intellectual Property Systems in Developing Countries

The intellectual property system is an effective and necessary framework to develop business in developing countries also. Efforts to establish the intellectual creation cycle and build the intellectual property system in developing countries contribute their autonomous economic development. This results in sustainable, global economic growth. In addition, establishing an intellectual property system will lead to improving the landscape for trade and investment, leading to the further growth of these developing countries as a result of the increase in direct investment in them. From this standpoint, the JPO has been providing vigorous means of assistance for human resources development and informatization to reinforce the protection of intellectual property rights in developing countries.

This section outlines the JPO's efforts on developing intellectual property systems in developing countries, mainly focusing on those utilizing Official Development Assistance (ODA) programs.

### (1) Fundamental Ideas about Assistance to Developing Countries

More than 10 years have passed since the developing countries agreed to execute the TRIPS Agreement, and it seems that they have developed their legal systems to some degree in this regard. However, the operational aspects of the legal systems are still developing in some countries. Offering assistance to developing countries that are focusing on further improving their legal systems and operations is vital. Especially, since the deadline for LDCs to join the TRIPS Agreement was extended again, until July 1, 2021, by the Council for TRIPS in June 2013 based on the further requests from developing countries, it seems that their administrative systems and legal systems still have room for improvement and are in need of further assistance. Since the degree of intellectual property rights protection and the conditions for conducting trade and investments significantly differ among developing countries, it is essential to consider the priorities of each country



individually and the fields to be targeted, in order to meet the needs in each country.

## **(2) Initiatives based on ODA Programs**

### **1) Funds-in-Trust/Japan (WIPO)**

Since 1987, the Japanese government has been voluntarily contributing to the WIPO in its WIPO Funds-in-Trust/Japan. This Trust was established with these voluntary funds and is used to finance various projects designed for developing countries that participate in WIPO and the Economic and Social Commission for Asia and the Pacific (ESCAP). These funds are used to hold workshops, welcome trainees and long-term research students, send experts, and computerize IP offices. In addition to this, in 2008, the JPO has expanded its contributions, establishing a new fund for Africa and Least Developed Countries under the WIPO Funds-in-Trust/Japan, in order to promote sustainable economic development by improving intellectual property system in those countries.

### **2) Technical Cooperation Projects (JICA)<sup>1</sup>**

Currently, two projects are in progress in cooperation with JICA, one each in Indonesia and Vietnam. The Project for Strengthening Intellectual Property Rights Protection (April 2011 - April 2015) is being conducted in Indonesia, and the Project for Strengthening the Enforcement of Intellectual Property Rights (June 2012 - June 2015) is being conducted in Vietnam. In conducting these projects with JICA, the JPO sends experts on long-term assignments and welcomes trainees from these countries, depending on the situation, in order to assist the development of intellectual property systems, cooperate in developing human resources, and build awareness on IP. The expected achievements include: for Indonesia, enhanced functions of enforcement agencies designed to protect IP, improvement of examination capacities of the Directorate General of Intellectual Property Rights (DGIPR), and utilization of intellectual property rights at

higher educational institutions such as universities; and for Vietnam, enhanced functions of the National Office of Intellectual Property (NOIP) and enforcement agencies assigned to protect IP.

### **(3) Specific Cooperation in the Development of Human Resources**

#### **1) Sending Experts**

The JPO sends JPO officials to developing countries through the Official Development Assistance (ODA) programs described in Section 3 (2). The experts who are sent mainly give on-site instructions on examination practices, computerization, and so forth.

#### **2) Welcoming Short-term and Mid-term Trainees to Japan<sup>2</sup>**

The JPO provides training, focusing on training programs mainly to patent examiners and administrative officers in developing countries, in order to develop human resources for strengthening the protection of intellectual property rights. The JPO has welcomed a total of 4,257 government and civilian trainees from 67 countries and four regions (mainly from the Asia-Pacific region) from April 1996 to March 2014. From FY2009, the JPO has been providing a mid-term training program (three months) focusing on search and patent examination practices. It invited three patent examiners from Brazil and two from India in FY2013.

#### **3) Welcoming Long-term Trainees<sup>2</sup>**

The JPO invites to Japan individuals who are taking, or who will be taking, leadership roles in the field of intellectual property rights in developing countries. The program lasts six months and offers an opportunity for the trainees to conduct self-initiated studies on intellectual property rights. In FY2013, the JPO welcomed a total of four long-term trainees, one each from the Philippines, Malaysia, Indonesia and Myanmar.

<sup>1</sup> Technical cooperation projects are implemented over specific periods of time based on several methods such as cooperation tools, sending experts, welcoming trainees, or providing equipment).

<sup>2</sup> Website of Cooperation Project for IP Human Resource Development ([http://www.training-jpo.go.jp/en/modules/pico2/index.php?content\\_id=2](http://www.training-jpo.go.jp/en/modules/pico2/index.php?content_id=2))

#### 4) Holding Follow-up Seminars

The graduates of the training programs have created voluntary organizations called “alumni associations,” in their countries. Together with the alumni associations and the local IP offices, the JPO conducts follow-up seminars every year. The objective of the follow-up seminars is to assist maintaining and following-up the achievements of the training in Japan, strengthening collaboration among trainees and developing awareness on intellectual property systems in their home countries. In FY2013, follow-up seminars were held in Vietnam and Thailand.



September 25, 2013, Follow-up Seminar in Vietnam (Hanoi)

#### 5) Welcoming Other Countries' Officials to Japan in Developing Their Intellectual Property Strategies and Policies

As part of the WIPO Funds-in-Trust/Japan projects, the JPO invited senior officials from intellectual property offices in developing countries to Japan so that they could deepen their knowledge of Japan's intellectual property systems as well as its strategies and policies. This is aimed at developing intellectual property systems and intellectual property strategies in other countries. The JPO welcomed six officials from Myanmar and six from Cambodia. To exchange views, the officials visited Japanese government organizations related to intellectual property including the Secretariat of the Intellectual Property Strategy Headquarters in the Cabinet Secretariat and the JPO.



Myanmar Research Group in Japan from May 27 to 30, 2013 (at JPO)



Cambodia Research Group in Japan from October 29 to November 1, 2013 (at JPO)

#### 6) Holding Forums, Workshops, etc.

The achievements of the major meetings managed by the WIPO Funds-in-Trust/Japan are as follows.

##### a. PCT Regional Seminar for ARIPO Member States

A seminar was held in June 2013 in Namibia to enhance the participants' understanding on the PCT system and practices, and how to make more effective use of it. About 40 people including officials working for intellectual property offices in the ARIPO<sup>1</sup> region participated in the seminar, where they discussed

<sup>1</sup> ARIPO is the acronym of the African Regional Intellectual Property Organization. Its member states are Botswana, Gambia, Ghana, Kenya, Lesotho, Malawi, Mozambique, Namibia, São Tomé e Príncipe, Sierra Leone, Somalia, Sudan, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe, Liberia and Rwanda.

processes for PCT international applications and intellectual property organizations.

#### **b. Regional Training Workshop on IPAS<sup>1</sup> for the African Member States**

A workshop was held in October 2013 in Zimbabwe to help participants acquire skills to use IPAS, understand the IPAS system, and share information on the latest trends in computerizing intellectual property offices. About 30 people including officials working for intellectual property offices in the ARIPO region participated in the workshop, where they discussed how national intellectual offices were using IPAS, how work changed after IPAS had been introduced, etc.

#### **c. ASEAN IT Roadmap Workshop**

A workshop was held in the Philippines in November 2013 to share information about the current status of computerization at the intellectual property offices of the 10 ASEAN member states that participated in the workshop. In addition, the participants discussed IT related initiatives among the IP5 Offices, the Vancouver Group (Australia, Canada, the UK) and the WIPO. About 35 people including officials working for the intellectual property offices in the ASEAN member status participated in the workshop, where they discussed the progress of computerization at the intellectual property offices in the ASEAN member states and how they should cooperate on computerization in the ASEAN region.

#### **d. Regional Seminar on Effective Utilization of the Patent Cooperation Treaty (PCT) and International Work Sharing Initiatives**

A workshop was held in Japan in November 2013 to deepen participating countries' understanding on how to utilize International Search Reports (ISRs) and International Preliminary Examination Reports (IPERs). Participants also discussed how they can share information about work sharing in order to

issue search reports, and discussed examination practices in national phases and the PPH. About 30 people including patent examination officials of intellectual property offices in Asian and African countries participated in the seminar. The participants discussed the current status of and issues with examination methods in their countries' national phases.



Participants of Seminar Held in Japan (JPO) on November 26 to 28, 2013

#### **e. Seminar on Development and Effective Use of Intellectual Property (IP) Statistics**

A seminar was held in the Philippines in December to deepen the participants' understanding on the importance of statistics on intellectual property and the benefits of keeping statistical information on intellectual property. The aim of the seminar was to assist countries in gathering and managing intellectual property statistics. About 30 people including officials in charge of statistics at intellectual property offices in Asian countries participated in the seminar where they shared information on the current status of their respective countries' intellectual property statistics and databases, discussing issues their countries are facing. They discussed future directions to be taken to effectively use statistical information.

#### **f. Regional Seminar on Effective Utilization of Patent Classification Systems**

A seminar was held in Japan in December 2013 to enhance the participants' understanding on how to assign International Patent Classification terms and FI/F-terms, and how to effectively use these terms to conduct prior art searches and examination procedures. A total of

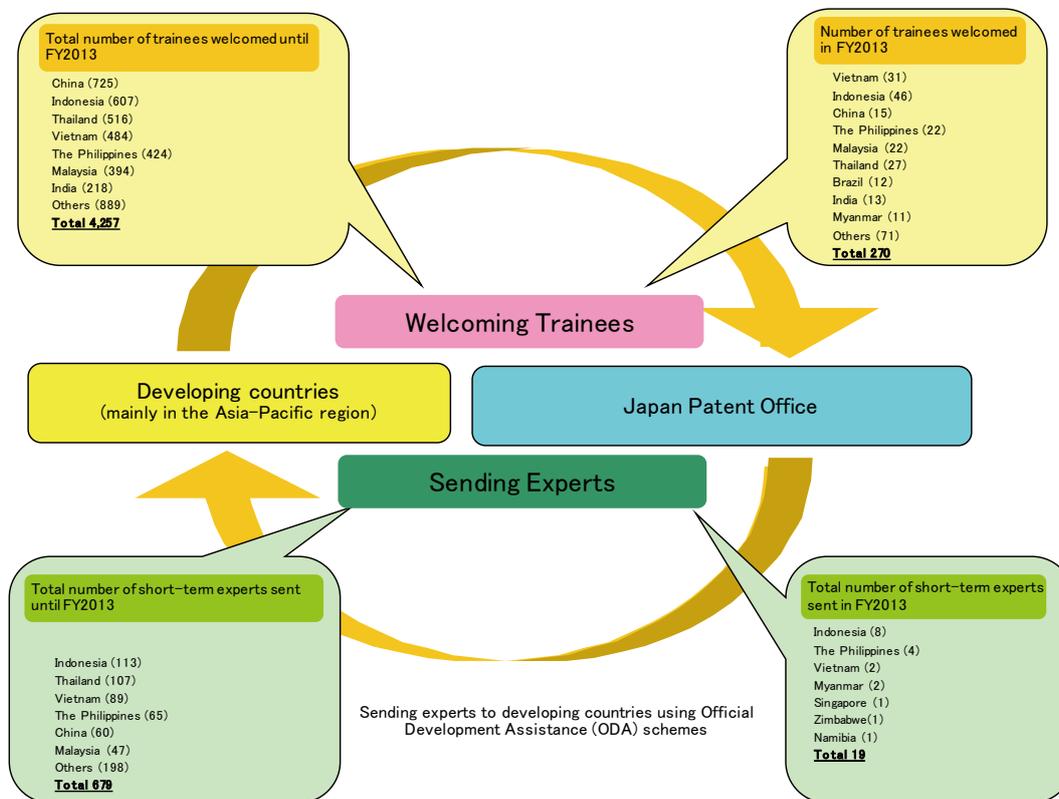
<sup>1</sup> The term stands for the Industrial Property Automation System which is the software WIPO provides as an integrated IP administration system that can automate the processing of trademarks, patents and industrial design.

20 people including patent examination officials of intellectual property offices in Asian countries participated in the seminar where they discussed issues and the future direction needed in order to effectively utilize patent classification.



Participants of Seminar Held in Japan (JPO) on December 11 to 12, 2013

**Figure 3-1 Results of Human Resource Development Cooperation with Developing Countries**



#### (4) Cooperation on Information Technology

With the increase in the number of patent applications being filed worldwide, work sharing on examination processes is being advanced among intellectual property offices. Furthermore, the importance of work sharing in terms of enhancing both the efficiency and quality of examination has been growing in the ASEAN countries, which have been experiencing burgeoning economic growth in recent years.

To respond to this situation, there is an urgent need to build the IT infrastructure in

these countries, in order to enhance the efficiency and quality of their examination processes. Therefore, the JPO, in cooperation with WIPO, will cooperate with the ASEAN countries in building their IT infrastructure.

#### (5) Cooperation in the Area of Examination: Advanced Industrial Property Network (AIPN)<sup>1</sup>

The AIPN is a system that provides information about examination in Japan to

<sup>1</sup> See Part 2, Chapter 5, 2, (1), 2)



intellectual property offices in other countries. The purpose of the AIPN is to reduce duplicate work at intellectual property offices. This can be achieved when the other offices make effective use of examination results of corresponding patent applications in Japan. This also expedites the acquisition of rights by applicants at these other offices. The AIPN enables examiners at intellectual property offices outside Japan to obtain online information in English on documents used for examination procedures, information on the legal status of patent applications, cited documents on examinations of post-grant claims, and patent families. As of March 2014, the AIPN was available to 64 countries/organizations.

### 3. Measures to Combat Counterfeit Products

Even nowadays, the production and circulation around the world of counterfeit and pirated products in countries and regions that do not have effective systems to protect intellectual property rights is causing significant damage worldwide, becoming a serious problem for Japanese companies. This section outlines the initiatives that the Japanese government, including the JPO, has made to combat counterfeit products.

#### (1) Current Status of Issues involving Counterfeit Products

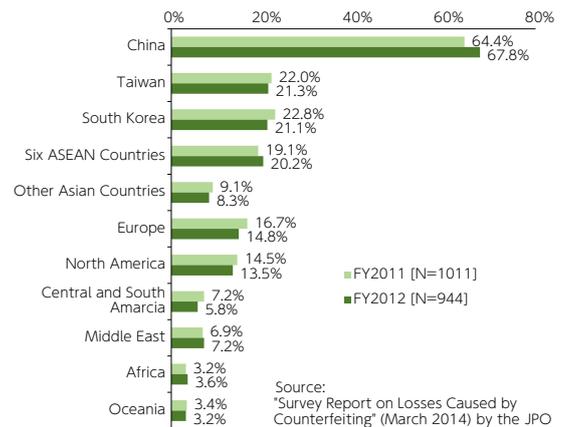
People all over the world are experiencing problems caused by counterfeit and pirated products in recent years, with the damage becoming more diverse and complicated. In line with the globalization and economic growth of the Asian region, the number of trademark, copyright, and other intellectual property rights infringements in the region is increasing, with many counterfeit products produced in the Asian region being distributed around the world. The volume of counterfeit goods being prevented from entering Japan at its borders is increasing year by year. In 2012, Japan Customs seized the greatest number of counterfeit goods so far.

This flooding of counterfeit and pirated products has harmful consequences, among them is damage to health caused by counterfeit drugs, product safety issues, funding for criminal

syndicates, potential loss of sales opportunities, and tarnished brand images in the minds of consumers.

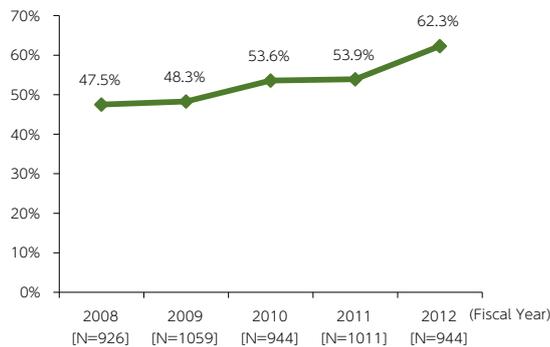
According to the JPO's survey on damage caused by counterfeiting, 67.8% of Japanese companies, which had suffered damage due to counterfeiting in FY2012, reported damage from counterfeiting operations based in China, 21.3% reported damage from counterfeiting operations based in Taiwan, 21.1% reported damage from counterfeiting operations based in Korea, and 20.2% reported damage from counterfeiting operations based in six ASEAN countries. Damage caused by counterfeiting operations based in the Asian region has become especially serious.<sup>1</sup> Furthermore, damage caused by online sales of counterfeit products has been increasing, as well as the number of cases of repeat infringements. In addition, perpetrators of counterfeit and pirated goods are becoming more sophisticated in line with advances taking place in technology, as they seek more ways to escape from law enforcement and crackdowns. In order to respond to the diverse and complex damage caused by counterfeiting, it has become necessary to approach various entities and to devise various methods to act against counterfeiting.

**Figure 3-2 Losses Caused by Counterfeiting Based Overseas (% of Companies Damaged, Multiple Responses)**



<sup>1</sup> The countries are Indonesia, Thailand, Malaysia, Singapore, Vietnam and the Philippines.

**Figure 3-3 Trend in Damage Caused from Online Sales**



## (2) JPO's Efforts to Stop Counterfeiting

### 1) Approaches and Support to Other Governments

Four memoranda on the protection of intellectual property were concluded between the governments of Japan and China in 2009 to enhance cooperation and dialogue on the protection of intellectual property. Specific cooperative efforts have been under way based on these memoranda, and counterfeit product issues have been discussed at the annual meeting of the Japan-China Intellectual Property Rights Working Group. In addition, as part of its efforts in assisting with the enhancement of regulations in developing countries, the JPO invites customs officials, police officers, and members of the courts from Asian countries to Japan each year for training. In addition, the JPO holds seminars in developing countries also. As a result, the JPO is helping developing countries develop their own human resources in the area of law enforcement.

### 2) Anti-Counterfeiting Trade Agreement (ACTA)

Japan proposed an Anti-Counterfeiting Trade Agreement (ACTA) at the G8 Summit in 2005, which is a new international legal framework to enhance the enforcement of intellectual property rights. Following negotiations, eight countries<sup>1</sup> including Japan signed the agreement at a signing ceremony held

<sup>1</sup> Countries that participated in the negotiations: Japan, the U.S., the EU, Switzerland, Canada, South Korea, Mexico, Singapore, Australia, New Zealand and Morocco (ten countries and one region)

in Tokyo, Japan, in October 2011.<sup>2</sup> In October 2012, Japan deposited the instrument of acceptance, becoming the first Party to the ACTA. The ACTA is to enter into force thirty days after the date on which the sixth instrument of ratification is deposited.

In order to improve the effectiveness of measures designed to combat counterfeit and pirated products, the ACTA enhances the WTO/TRIPS Agreement's framework for ensuring legal enforcement. Specifically, the ACTA increases exports subject to customs control, makes counterfeit labels illegal, and makes the trading of devices that circumvent functions restricting audio-visual output illegal.

The ACTA Parties are expected to deepen other countries' understanding of the agreement, taking advantage of various opportunities such as bilateral and multilateral meetings; and to urge other countries in Asia and other regions to be Parties to the agreement.

### 3) Collaboration with the Industrial Sector

The International Intellectual Property Protection Forum (IIPPF) was established in April 2002, as a forum where companies and associations that have a strong incentive to solve the problem of intellectual property infringements overseas caused by counterfeit and pirated products can gather together. At the Forum, members from various industrial sectors voice their opinions and take concerted actions directed towards domestic and foreign government agencies. The Forum also works to reinforce cooperation with the Japanese government, functioning as a center pillar in promoting joint cooperation between the Japanese government and the private sector on issues that individual companies and associations cannot deal with individually. As a result, the IIPPF's actions contribute to protecting intellectual property. The IIPPF saw its twelfth year in 2014. With the IIPPF functioning as the center pillar promoting joint cooperation between the Japanese

<sup>2</sup> Parties of ACTA (as of February 2013)

- Japan, the U.S., Canada, South Korea, Singapore, Australia, New Zealand, Morocco (October 2011)
- The EU and 22 EU member states out of 27 all member states (January 2012)
- Mexico (July 2012)



government and the private sector, the Japanese government can gain a full understanding of the current circumstances of the Japanese industrial world, and reflect its understanding in policies. On the other hand, the private sector can more flexibly deal with requests from foreign governments with which the Japanese industrial world alone cannot respond to on its own. Therefore, the Japanese government and private sector can complement each other, and collectively take effective measures against issues on intellectual property. At a time when the Japanese government was not able hold meetings with the Chinese government to discuss intellectual property, the IIPPF helped achieve joint cooperation between the Japanese government and private sector, making it possible for them to once again hold meetings. Furthermore, in recent years, the IIPPF participates in these meetings between the Japanese and Chinese governments on intellectual property, serving as an observer to gain information for its future activities. At the same time, the Japanese government and the IIPPF closely cooperate with each other to promote the protection of intellectual property, for example, by including the IIPPF's activities in discussions between the Japanese and Chinese governments.

The JPO supports the efforts of the International Intellectual Property Protection Forum. Especially in regards to China, high-level missions jointly involving the public and private sectors were sent eight times to China, in collaboration with the IIPPF and the government. The JPO listened to opinions and requests from Japanese companies, and then requested the Chinese government for its support to counter bad-faith trademark application filings, improve access to judgments on intellectual property, and deal with abuses of utility model rights. It also requested the Chinese governmental for support in developing legal systems and improving operations. In addition, the IIPPF holds seminars for officials of law enforcement agencies from ASEAN countries and others, giving information on how to distinguish authentic products from counterfeit products.

#### **4) Collecting and Providing Information on Anti-counterfeiting Measures**

In order to understand the damage that Japanese companies suffer overseas, the JPO each fiscal year conducts a survey on counterfeiting and publishes the results in its *Survey Report on Losses Caused by Counterfeiting*. In addition, with the aim of assisting Japanese companies' business activities overseas, the JPO sends researchers to other offices, North America, Europe, China, South Korea, Taiwan, Southeast Asia, and India, to conduct research activities and offer consultation there. It also compiles and provides publications. One is called the *Manual on Measures against Counterfeits*, which contains useful information on anti-counterfeiting measures in the countries and regions where counterfeiting frequently occurs. Another is the *Collection of Case Examples & Court Precedents on Intellectual Property Right Infringements*. The *Collection* contains actual case studies, court precedents on IPR infringements, and informative comments. Furthermore, the JPO holds seminars inside and outside of Japan for Japanese companies in order to provide them with the information necessary to take measures against counterfeits.

#### **5) Response to Inquiries about Combating Counterfeit Products**

The JPO responds to individual inquiries from rights holders who ask about ways to combat counterfeit products and industrial property rights infringements. The JPO provides them necessary information by closely cooperating with the APEC IPR Service Center (Office for Intellectual Property Right Infringement, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry) and other ministries and agencies. In addition, the JPO offers consultations on foreign industrial property right systems and on countermeasures to combat industrial property infringements targeting Japanese companies. The JPO also provides other information such as information on the measures foreign countries take to combat counterfeits, in its mini guide on measures against infringements. It also compiled case studies and examples in its *Q&As Collected from Anti-counterfeit Consulting*, which explains in

Q&A format ways to fight against counterfeiting.

#### **6) Cooperation with National Regulatory Authorities/Countermeasures at the Boarder**

With the aim of efficiently cracking down on counterfeiting within Japan, the JPO responds to inquiries from police and customs about industrial property right infringements. The number of inquiries from the police and others was 1,132 in 2013. Also, in order to enhance the enforcement of intellectual property rights, the JPO is strengthening its cooperative activities with Japanese law enforcement authorities; for example, by sending instructors to give training on intellectual property to Japanese customs officials.

#### **7) Activities to Raise Consumer Awareness**

Taking into consideration the high percentage of consumers who still think that buying counterfeit products is not a problem, the JPO is working to raise consumer awareness on the problem. Specifically, the JPO organizes anti-counterfeiting campaigns every fiscal year with the objective of further raising customer awareness in Japan on the importance of intellectual property rights and informing end-users that counterfeiting and piracy have adverse effects.

### **4. Promotion of Conclusion of Economic Partnership Agreements (EPAs) and Free Trade Agreements (FTAs)**

Japan has actively worked to conclude various economic partnership agreements (EPAs), mainly with Asian countries that have deep economic and cultural ties with Japan. The intellectual property field is one of the fields of EPA negotiations and is part of Japan's initiatives to create a landscape that will contribute to expanding trade and investment. In the field of intellectual property, Japan aims to ensure: i) adequate, effective and non-discriminatory protection of intellectual property, ii) efficient and transparent administration over the intellectual property protection system, and iii) adequate and effective enforcement of intellectual property rights, taking into consideration trade relations and the scale of intellectual property problems, etc.

Japan has concluded EPAs with 12 countries and one region. (Please refer to the "Information" section below for a list of the concrete countries and the region.) These EPAs include measures such as more streamlined and transparent procedures, enhanced protection of intellectual property, and enhanced enforcement of intellectual property rights. They provide for enhancing the protection of intellectual property rights beyond the level of protection stipulated in the TRIPS Agreement.

#### **〈EPAs under negotiation〉**

In addition to the above, Japan is currently negotiating with Mongolia, Canada, and other countries to conclude EPAs. Furthermore, as broader regional and large economic partnerships, Japan started negotiations with the EU for the Japan-EU EPA, the Regional Comprehensive Economic Partnership (RCEP), and the Japan-China-Korea FTA.

Also, together with such as the RCEP, Japan has been participating in negotiations with Asia/Pacific countries for the Trans-Pacific Partnership (TPP) since July 2013, which is a regional initiative to create a Free Trade Area of the Asia-Pacific (FTAAP).

#### **〈Information: EPAs already concluded〉**

- 1) Japan-Singapore EPA (came into force in November 2002)
- 2) Japan-Mexico EPA (came into force in April 2005)
- 3) Japan-Malaysia EPA (came into force in July 2006)
- 4) Japan-the Philippines EPA (came into force in December 2008)
- 5) Japan-Chile EPA (came into force in September 2007)
- 6) Japan-Thailand EPA (came into force in November 2007)
- 7) Japan-Brunei EPA (came into force in July 2008)
- 8) Japan-Indonesia EPA (came into force in July 2008)
- 9) Japan-ASEAN Comprehensive EPA (came into force in December 2008)
- 10) Japan-Vietnam EPA (came into force in October 2009)
- 11) Japan-Switzerland EPA (came into force in September 2009)
- 12) Japan-India EPA (came into force in August 2011)
- 13) Japan-Peru EPA (came into force in March 2012)



Part 4

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Future Directions and  
Concrete Measures  
for Japan's IP Policies





While efforts were being made to address issues for the intellectual property policy specified in the Japan Revitalization Strategy and the Basic Policy Concerning Intellectual Property Policy that the Japanese Cabinet decided to adopt in June 2013, the Intellectual Property Committee of the Industrial Structure Council reflected on changes in the external environments of both Japanese companies and intellectual property systems to discuss initiatives that need to be further advanced and prioritized in responding to issues concerning intellectual property. Then, the committee set three directions for the JPO to pursue, determining what initiatives it should implement in the future. The committee also compiled specific policy issues based on these directions.

Furthermore, based on what was compiled by the committee, it was decided that by FY 2023, the average amount of time needed for applicants to acquire patent rights<sup>1</sup> would be shortened to 14 months or less, and the average amount of time for the First Action will be shortened to less than 10 months. Furthermore, it was also decided that in order to further improve examination quality, a panel composed of external experts would be established by early FY2014 to review the progress of the implementation efforts, and the organization of the JPO's quality management policy. Based on these goals, the Japan Patent Office will realize an IP system with the world's fastest and best qualified procedures.

In addition, a JPO Business and Management Plan will be prepared to further put the committee's discussions into action, so that the JPO can systematically implement administrative affairs for intellectual property. The JPO will publicly announce specific initiatives that will cover the five years between FY2014 and FY2018.

Introduced here are specific issues for the future intellectual property policy and efforts to respond to these issues, mainly based on the

items that the Intellectual Property Committee adopted, and which became the basis for these efforts.

## 1. Basic Principles for the IP Policies

In order to respond to Japanese companies' needs and make Japan the world's most excellent intellectual property-based nation, the Japanese Cabinet decided to adopt the Japan Revitalization Strategy and the Basic Policy Concerning Intellectual Property Policy in June 2013.

The Japan Revitalization Strategy mainly includes the following five items related to intellectual property.

- Achieving speedy/high quality examination comparable in the world
- Supporting protection/acquisition of rights on a global scale including emerging countries
- Reviewing the employee invention system in order not to impede companies from activities on the global scale
- Supporting global intellectual property strategies of SMEs
- Expanding the scope of entities eligible to register regional collective trademarks

In addition, the Basic Policy Concerning Intellectual Property Policy includes the following four pillars.

- Building up a global intellectual property system to enhancing industrial competitiveness
- Supporting enhancing intellectual property management by SMEs and venture companies
- Improving the environment for adjusting to the digital network society
- Strengthening software aspects focusing on the content industry

Then, in FY2013, while issues for intellectual property policy specified in the Japan Revitalization Strategy and the Basic Policy Concerning Intellectual Property Policy were being addressed, the Intellectual Property Committee of the Industrial Structure Council discussed how to further advance and prioritize such efforts.

<sup>1</sup> The "average amount of time applicants need to acquire patent rights" does not include cases when the JPO requests additional information and actions from applicants as a result of applicants having amended their applications during the period of time allowed under Japan's patent system.

## 2. The Direction of IP Policies in the Future

The Intellectual Property Committee of the Industrial Structure Council proposed three directions that the JPO should pursue as its future initiatives. These directions are: (1) to support the global acquisition and utilization of rights by Japanese companies, (2) to enhance support for SMEs and local companies, and (3) to improve the environment that enables the promotion of innovation (including thorough implementation of open/closed strategies).

### (1) The JPO will support the global acquisition and utilization of rights by Japanese companies.

The first direction is to support the global acquisition and utilization of rights by Japanese companies. In order to achieve this, the JPO will aim at creating a system in which the JPO's high quality examination results are trusted by IP Offices in the world, and by acquiring a patent in Japan, patent rights for the corresponding scope of rights acquired in Japan can be expeditiously acquired with minimum examination process in IP Offices abroad. System harmonization with other countries needs to be advanced, including Japan's ratification of the Patent Law Treaty, accession to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs, and becoming a contract partner in other international agreements. Hence, in order to create such a system, the JPO will also review Japan's systems themselves, as required. Furthermore, in terms of its direct support to users so as to enable them to acquire intellectual property rights abroad, and direct support to combat against counterfeit products, the JPO will provide sufficient information on foreign IP systems and practices, working to combat against counterfeit products. This will enable applicants to acquire and use intellectual property rights worldwide.

### (2) The JPO will enhance support for SMEs and local companies

Next, the second direction is to enhance support for SMEs and local companies. In order to achieve this, the JPO will enhance the support system by experts such as patent attorneys and

lawyers to provide consultations on acquisition of rights, examination procedures, or utilization of rights to SMEs, individual business owners, local companies, and universities and entities in Japan, whose IP policies and strategies have not been adequately established or run. Furthermore, in order to broadly promote innovation in our country, the JPO will study the best fee system for filing patents, designs and trademarks. In addition, the JPO will promote the effective use of the regional collective trademarks, which contribute to revitalizing local communities.

### (3) The JPO will improve the environment that enables the promotion of innovation (including thorough implementation of open/closed strategies)

Finally, the third direction is to improve the environment that enables the promotion of innovation (including thorough implementation of open/closed strategies). The JPO will build world-class services regarding information on intellectual property. It will assist in the technical developments and design strategies of companies and other business entities. In addition, the need for open/closed strategies has increased and as a result, it is expected that there will be more cases in which it would be appropriate to protect technology as trade secrets rather than as patents. Taking note of the increase in global business activities, which rely on trade secrets, the necessity to prevent technology leaks to other countries, the JPO will further strengthen the protection of their trade secrets. The JPO will also grasp the issues resulting from SEPs, etc., and study the necessity of measures.

## 3. Concrete Issues and Measures

The Intellectual Property Committee of the Industrial Structure Council compiled specific policy issues based on the above-mentioned three directions that the JPO must pursue. Among them, 21 are classified as specific actions to be taken immediately; 11 are classified as legislative and practical measures to be taken immediately; and 7 are classified as measures to be achieved based on international frameworks. In this section, the specific issues will be described one by one.

**(I) Specific actions to be taken immediately****1) "The world's fastest and the highest quality" IP system****a. Achieving "the world's fastest and highest quality" examinations**

The JPO has aimed at shortening the time between the request for examination and the First Action to 11 months, which is under a year. In the future, the JPO should improve the necessary system for examiners, focusing on reducing not only "the pendency" for the First Action but also on accelerating the granting of rights. Specifically, by FY 2023, the JPO has set a goal to shorten the average amount of time it takes applicants to acquire patent rights to 14 months, and the average amount of time for the First Actions to be issued to 10 months.

The JPO should also consider providing finely-tuned services responding to user needs regarding the time of starting examination

In addition, the JPO should make efforts to provide the world's highest quality patent examination results. In particular, the JPO should grant patents that (i) demonstrate legal stability, and which thereby, are not invalidated afterward both inside and outside Japan; (ii) have a scope of claims commensurating with the concerned inventions' art and levels of disclosure; and (iii) provide value that is trusted and industrially useful globally. These rights are based on examination processes in which examiners (i) fully understand the technology in the applications, (ii) conduct prior arts searches for domestic and foreign documents as needed, and (iii) make appropriate decisions on requirements for patentability. In order to clarify the fact that the JPO grants aforementioned patent rights which are robust, broad and valuable in Japan and abroad, the JPO established a "quality policy"<sup>1</sup> that outlines the fundamental principles to maintain and improve the quality of patent examinations. It was released in April 2014.<sup>2</sup> Based on these principles, the JPO should review the patent examination guidelines, enhance interviews in the examination process, and expand the scope of prior art search for foreign

documents. Moreover, based on the idea of improving the efficiency of prior art searches, the JPO should consider introducing an advanced search system and redevelop the patent classification in light of international harmonization.

In order to further improve examination quality, the JPO will establish a new panel composed of external experts in early FY2014. The panel will review the status and framework for implementing quality management system in the JPO.

In order to set up and strengthen the examination system needed at the JPO, it has obtained a budget in FY2014 to staff 100 fixed term examiners and carry out other measures.

**b. Promoting collective examinations of patents, designs and trademarks in accordance with the business strategies of companies**

The system of "collective examinations" which collectively examines patents, designs and trademarks of the same product so as to comply with companies' business strategies, launched in April 2013, will be reviewed as follows in order to promote its use. The system was established to enable companies to comprehensively acquire IP rights utilized in their businesses. The review will take the results of the past collective examinations into account and review the cases eligible for the system as well as the requirements for eligible applicants.

**c. Increasing the number of countries for which the JPO issues ISRs for PCT international applications in English**

Japanese companies conducting business globally are expanding the number of overseas technical development bases such as in emerging countries. It is necessary to appropriately protect the results of the technical developments created in these bases, as patents.

Therefore, the JPO should aim at expanding its jurisdiction in issuing International Search Reports (ISRs) as an International Searching Authority for PCT international applications filed in English with foreign IP offices, in particular those in Asia, upon applicants' requests.

<sup>1</sup> See Part 4, Column 3

<sup>2</sup> Please refer to a JPO website at [http://www.jpo.go.jp/seido\\_e/s\\_gaiyou\\_e/pdf/patent\\_policy/policy.pdf](http://www.jpo.go.jp/seido_e/s_gaiyou_e/pdf/patent_policy/policy.pdf)

**2) The JPO will create a further user-friendly environment for data searches (Expand the available data for searches as well as enhance the search environment of designs)**

**a. Creation of an environment for searching Chinese and Korean documents in Japanese**

From the perspective of supporting Japanese companies to prioritize their R&D activities and efficiently acquire rights for the technical results, the JPO will accelerate the development of an information system that enables Chinese and Korean documents to be viewed in highly accurate Japanese translations as well as enable full-text search of these documents. At present, Chinese and Korean documents account for about the half of the patent applications in the world and there are documents that include cutting-edge technologies.

The documents that the system will translate and search are published unexamined patent applications, patent gazettes, and utility model gazettes from both China and Korea. The JPO plans to launch the system in January 2015, which is designed to store documents published during the past ten years and continue to store more documents after they have been released. In particular, the JPO aims to enable Japanese translations of Chinese documents to be searched and retrieved one month after they have been published.

The system will use machine translation to translate Chinese and Korean documents into Japanese. Specifically, in order to improve the accuracy of machine translation of Chinese documents, the system will make effective use of a Chinese-Japanese bilingual dictionary that was created in the past. The system will be accessible through the Internet. In FY2014, the JPO will develop and test the system, working to enable machine translation and the storage of past documents to be possible by January 2015.

**b. Achievement of the world's best services in providing IP rights information**

The Industrial Property Digital Library (IPDL) will be renewed into a new information resource aiming at providing the world's best services that exceed similar services offered abroad, such as those provided by the World

Intellectual Property Organization (WIPO) and the European Patent Office (EPO), while taking heed of the division of roles between the public and private sectors.. Specifically, the JPO will undertake the following initiatives.

**(i) Enhancing the service to provide bulk information on intellectual property rights**

The JPO will efficiently provide bulk information owned by it via the Internet from the viewpoint of creating a better environment where this service is provided by private information providers. Moreover, the JPO will positively make its own data available unless there is any specific problem.

**(ii) Realizing a new Internet search/inquiry service**

The government has the responsibility for providing the wide general public including business operators and universities with information in a prompt manner. A new Internet search/inquiry service provides basic information on national and international intellectual property rights which is publicized in gazettes, etc. together with other standard functions taking into account the status of information provision of other Offices, in order to promote the dissemination of information to individuals and SMEs that have any difficulty in accessing such information particularly in terms of costs.

In addition, the JPO will strive to speed up information provision and improve user interface based on the function of linking different services in the process of realizing this service. The JPO will look for a possibility of this new service provided by other Offices and cooperating with research institutes for the purpose of introducing this new service as early and efficient as possible.

**c. Enhancing collection and provision of information on IP systems in other countries by the JPO**

Based on users' needs, the JPO will increase the number of countries listed on the "Global IP Data Bank" mainly for countries in East Asia, the ASEAN Regions, and BRICS and

enhance the available information. The Data Bank is a database that enables search of information on IP systems and practices, including filing procedures, legal practices, trial decisions, court decisions, statistical information, etc. in emerging countries.

**d. Further improvement of "patent application technical trends surveys" and enhancement of provision of their information**

In order to contribute to prioritizing of R&D activities and the patent strategies in Japanese companies, patent documents from emerging countries such as China will be surveyed and the trends in various companies in foreign countries will be analyzed and included in the "patent application technical trends surveys". In addition, the analyses will be enhanced as well as the dissemination of the survey results will be strengthened mainly to corporate management including SMEs and the industry groups by utilizing knowledge in and outside of the JPO for evaluation.

**e. Enhancing the provision of IP information**

In order for Japanese companies to be active in the global market based by utilizing technologies and products for which they acquired IP rights in Japan, it is important that the Japan's intellectual property right's system, including its operations and examination practices, gains trust in the international IP community to enhance its international presence. To this end, it is essential to effectively communicate information about the JPO's systems, its various policies, and supporting measures, which is expected to be one of the instrumental methods.

With this in mind, the JPO renewed its website in March 2014 to further strengthen its ability to provide information online. It was sophisticatedly designed so that users can easily and immediately understand recent activities at the JPO. The JPO also newly created navigation icons for different types of users so that various users such as small and medium-sized enterprises, individuals, universities, and research institutes can easily access useful information depending on their specific needs.

The JPO will further enhance its English

websites, more elaborately explaining its system, examination practices, and initiatives, in order to strengthen its ability to provide information to the world.



Website in Japanese



Website in English

**3) Support for creation, protection and utilization of intellectual property by SMEs**

**a. Strengthening the help desk function with expert consultations**

Starting in FY2014, the JPO will staff IP experts such as patent attorneys and lawyers at IP Comprehensive Support Counters that were established in 47 prefectures, in order to promptly respond to requests for professional assistance. In addition to such effect, experts at the counters can also give professional assistance on IP strategy such as whether they should protect their intellectual properties as patents or keep them as trade secrets. through these

supports, the JPO is establishing a system to respond to inquiries covering all areas of intellectual property.

In addition to assisting SMEs, that are interested in knowing the strengths of their technologies and brands, face-to-face at the Counters, we will start sending intellectual property advisers (former business people with technical capabilities, etc.) to SMEs, etc.

**b. Support for SMEs conducting business globally to acquire IP rights and take countermeasures against counterfeits**

In cooperation with prefectural governments, the JPO has been providing region-by-region subsidies to help SMEs to file applications to foreign patent offices. Since 2008, when the system was created, the number of regions where such subsidies are being granted has been increasing. Nevertheless, the number of regions where such subsidies were granted in FY2013 is 40. The problem is that there are regions where such subsidies have not been granted yet. In order to solve the problem, the JPO through JETRO will implement a nationwide system that is designed to grant subsidies especially for companies intending to expand their businesses globally. This will be provided in tandem with other services offered to assist the overseas expansion of Japanese companies.

Furthermore, in support of SMEs that are being damaged financially by counterfeit products, JETRO initiated a project in FY 2005 to subsidize a part of the costs incurred by these enterprises to hire local firms to investigate manufacturing plants producing counterfeit products and the distribution routes of such products. Following the investigation of counterfeits, however, victim SMEs must take specific actions such as warning, suing and law enforcement against manufacturers producing the counterfeits, based on the result of investigations to stop counterfeiting effectively. However, because of the prohibitive costs involved with conducting these activities, actions to take countermeasures against counterfeit products are not advancing at a satisfactory pace. Therefore, the JPO in FY2014 decided to begin subsidizing the costs for preparing and sending warning letters to the manufacturers of counterfeits, and requesting law enforcement

agencies to investigate such manufacturers in order to enhance legal actions overseas against such infringements.

**4) Consideration of the fee schedule at the time of acquiring intellectual property**

In order to facilitate SMEs, etc. to acquire rights, and also to promote innovation by Japanese companies, the new reduction/exemption systems in the “Industrial Competitiveness Enhancement Act” will be disseminated at an early date. Moreover, the fee schedule at the time of acquiring patent, design and trademark rights will be examined based on the prospect of medium- and long-term patent revenues and expenditures, etc. In considering the new fee schedule, the JPO will pay attention to the potential affect that the changes to the new fee schedule will have on filing activities.

**5) Promotion of the effective use of intellectual property**

**a. Promotion of measures that include intellectual property in corporate management**

The practice of filing patent applications for technical ideas is still not widespread in Japan. For example, the ratio of applications filed by all small and medium-sized enterprises and individuals in Japan is less than half of that in the U.S., i.e., 12% in Japan and 25% in the U.S. As a way of strengthening the support given to such small and medium-sized enterprises, sole proprietors, regions and universities to manage their intellectual property, the JPO believes it is necessary to have experts offer advice.

As one of the approaches to raise the utilization of intellectual property and support intellectual property management, by grasping and “visualizing” intangible assets including patent rights, intellectual asset management, which makes effective use of the intangible assets in business activities inside and outside of the company, will be promoted. In particular, measures that strengthen cooperation between the government and experts such as local governments, financial institutions, SME management consultants, patent attorneys and lawyers will be created; which will promote a positive growth cycle that leads to proper evaluation of intellectual property and financing.

### **b. Promoting the effective use of intellectual property to accelerate innovation**

In order to make patent and other rights available so that SMEs, large companies and colleges/universities can license technologies that they created and enable these technologies to be commercialized, the JPO, in cooperation with local governments, will support activities that match intellectual property to businesses, promoting the effective use of IP rights by third parties. In particular, activities for strengthening cooperation with local financial institutions, enhancing IP rights, and follow up activity for commercialization will be enhanced.

### **c. Provision of support to R&D projects, etc.**

For the purpose of contributing to the promotion of innovation in Japan, the INPIT has been sending Intellectual Property Producers, who are experts with practical experience in IP in private companies in order to support the formulation of strategies and IP management of R&D projects. This was done with a view toward the utilization of achievements, from the earliest stages of researches conducted under the R&D projects, giving consideration to the utilization of IP. As a result, R&D consortiums and universities to which public funds have been invested may be expected to create innovative research achievements and improve their international competitiveness.

### **6) Review of legal system designed to facilitate the use of intellectual property**

The Japanese Cabinet has approved the Japan Revitalization Strategy and the Basic Policy Concerning Intellectual Property Policy in June 2013, and has set a goal to make Japan the strongest intellectual-property-based nation in the world in the next 10 years.

Developing institutional and human resources that further create, protect and utilize intellectual property is essential to steadily achieve this goal. Therefore, the Intellectual Property Committee of the Industrial Structure Council deliberated vigorously, deciding the future directions for intellectual property policies at its February meeting. The Japanese Cabinet on March 11, 2014 approved a bill establishing the Act for Revising the Patent Act and Others,

of which the main points are based on the future policy directions as shown in Paragraphs a. to g. below. The Act was submitted to the 186th ordinary session of the Diet.<sup>1</sup>

#### **a. Creating a New Patent Opposition System**

After the former patent opposition system was abolished in 2003, the number of requests for patent invalidation trials temporarily increased. However, because of the heavy workload and high costs involved with patent invalidation trials, the annual number of requests has not been increasing very much, and in recent years, has dropped to the level that existed before the former opposition system was abolished. On the other hand, because Japanese companies have been developing their business operations overseas, the number of PCT applications has doubled in the last 10 years. The need to have stable patents granted earlier in Japan has emerged mainly from Japanese companies that are planning to acquire and use intellectual property rights overseas, largely based on their made-in-Japan art.

Based on the above, the Patent System Subcommittee under the Intellectual Property Policy Committee<sup>2</sup> of the Industrial Structure Council deliberated and compiled a report called Towards Accelerated Establishment of Very Stable Rights and Improved Usability. The Committee found it appropriate to create a patent opposition system that would enable stable patent rights to be granted earlier. The Committee approved the report in September 2013, and made it one of the priorities in its own report dated February 2014.

#### **b. Expanding Scope of Relief Measures**

While there are many procedures defined in the current Patent Act, some procedures do not stipulate any relief measures for applicants when disasters or other extenuating circumstances occur.

<sup>1</sup> The bill was enacted. The House of Councilors passed it on April 2, 2014, and the House of Representatives passed it on April 25.

<sup>2</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council's organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

When the Great East Japan Earthquake occurred, the Japanese government introduced relief measures for everyone affected, without exception, defining the extended periods of time during which applicants could conduct filing procedures. This was done in accordance with the Act on Special Measures concerning Preservation of Rights and Interests of Victims of Specified Disasters (Act No. 85 of 1996) that was enacted at the time to deal with procedures defined in the Patent Act and other acts. Reflecting on this experience, the JPO deemed it necessary to improve legal systems so that the JPO could provide relief measures faster when disasters and extenuating circumstances occur, irrespective of whether applicants are in Japan or abroad. In improving these measures, it is necessary to refer to the Patent Law Treaty and the laws and systems in other countries.

To this end, the Patent System Subcommittee under the Intellectual Property Policy Committee<sup>1</sup> of the Industrial Structure Council deliberated on the subject mentioned above, and compiled a report called “Towards Accelerated Establishment of Very Stable Rights and Improved Usability” in February 2013. The report found it appropriate to develop comprehensive relief measures in order: (1) to stipulate relief measures for the failure to comply with the period of priority right and request for examination in accordance with the Patent Law Treaty and allow applicants extra time to claim priority and request for examination, and (2) to extend the normal deadlines by which applicants need to pay patent fees, in the event disasters or extenuating circumstances occur. The Intellectual Property Committee of the Industrial Structure Council approved the report in September 2013, and made it one of the priorities in its own report dated February 2014.

<sup>1</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council’s organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

### c. Efforts to Become a Contracting Party to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs<sup>2</sup>

Japan is not yet a contracting party to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs (the “Geneva Act”), which is designed to enable applicants to file applications to multiple countries at one time. However, Japanese companies have expressed their need for Japan to accede to the Geneva Act because an increasing number of Japan’s trade and investment partner countries are becoming contracting parties. As a result, many Japanese companies have found significance of Japan’s accession to the Geneva Act in order to reduce their cost burden when filing applications to register their designs globally with the aim of developing their businesses overseas based on their products with good designs.

Keeping this background in mind, the Design System Subcommittee under the Intellectual Property Policy Committee<sup>3</sup> of the Industrial Structure Council deliberated on the subject, and compiled a report in January 2014 called Support for Japanese Companies to Expand Their Businesses Overseas by Protecting Rights on Creative Designs<sup>4</sup>. The report found it appropriate for Japan to accede to the Geneva Act, and it would have to revise the Design Act and other laws so as to align with the Geneva Act. The Intellectual Property Committee of the Industrial Structure Council approved the report in February 2014, and made it one of the priorities in its own report.

<sup>2</sup> See Part 2, Chapter 2, 1, (1)

<sup>3</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council’s organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

<sup>4</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council’s organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee. Therefore, the subcommittee was the Design System Subcommittee under the Intellectual Property Committee of the Industrial Structure Council when the report was compiled.

#### d. Utilizing Regional Brands to Revitalize Local Communities; and Expanding Scope of Entities Eligible for Registration of the Regional Collective Trademarks

In order to revitalize local communities and help them promote and utilize their regional brands, which support the development of local industries, the Japanese government introduced a Regional Collective Trademark System in 2006. Since then, more than 550 regional brands have been registered and given protection.

#### Figure 4-1 Examples of Well-known Regional Brands



“Shodoshima Olive Oil” produced in Shodoshima, Kagawa Prefecture (courtesy of the non-profit Shodoshima Olive Association)

The current Regional Collective Trademark System imposes restrictions on the types of entities that are eligible for registration of the regional collective trademarks, limiting them to business cooperative associations. Nevertheless, many commerce and industry associations, chambers of commerce and industry, and specified non-profit corporations, which currently are not eligible for registration of the regional collective trademarks, have been promoting regional brands and helping revitalize their local communities.

Based on this, the Trademark System Subcommittee under the Intellectual Property Policy Committee<sup>1</sup> of the Industrial Structure

Council deliberated on the subject and compiled a report in February 2013 called Trademark Policy to Protect Non-traditional Trademarks and for Other Measures. The report found it appropriate to add commerce and industry associations, chambers of commerce and industry, and specified non-profit corporations to entities eligible for registration of the regional collective trademarks. The Intellectual Property Committee of the Industrial Structure Council approved the report in September 2013 and made it one of the priorities in its own report dated February 2014.

#### e. Introduction of the protection of Non-traditional trademarks such as “color” and “sound”

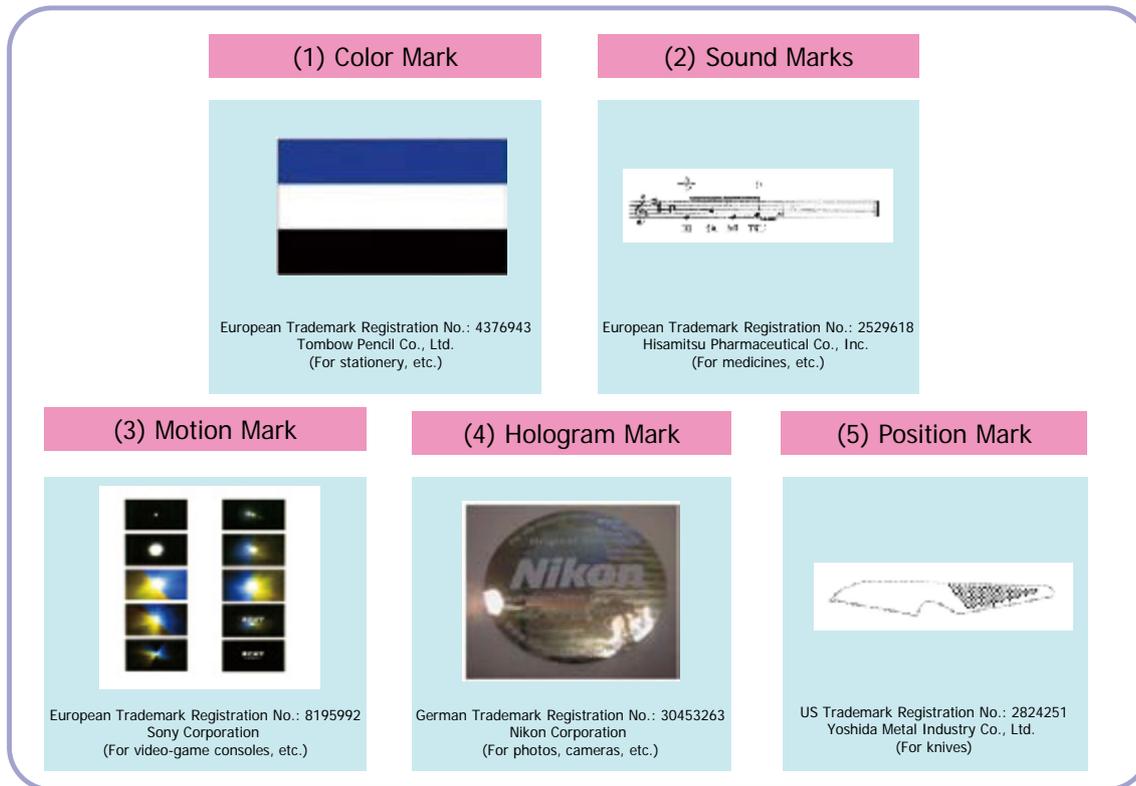
Companies’ brand strategies have diversified in recent years, and a company uses colors, sounds and other effects to differentiate its goods and services from those of others. However, until now, Japan’s Trademark Act has never provided protection for such trademarks. On the other hand, there are countries that have already developed legal systems to protect such trademarks, and Japanese companies are preparing to acquire rights for these kinds of trademarks in such foreign countries. Therefore, Japanese companies have the same need in Japan and requested trademark protection for non-traditional trademarks.

Based on this circumstance, the Trademark System Subcommittee under the Intellectual Property Policy Committee<sup>2</sup> of the Industrial Structure Council deliberated on the subject, and compiled a report in February 2013 called Trademark Policy to Protect Non-traditional Trademarks and for Other Measures. The report found it appropriate for Japan to introduce the protection of trademarks using colors, sounds and other effects, which were not given protection under the current Japanese Trademark Act. The Intellectual Property Committee of the Industrial Structure Council approved the report in September 2013, and made it one of the priorities in its own report dated February 2014.

<sup>1</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council’s organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

<sup>2</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council’s organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

**Figure 4-2 Non-traditional trademarks (Examples of Japanese Companies' Registration in Foreign Countries)**



#### f. Review of the Patent Attorney System for improving quality of experts

In order to make Japan the strongest intellectual-property-based nation in the world, patent attorneys must be allowed to provide a high level of services so as to greatly assist with the intellectual property strategies of individual companies and business entities.

Based this, the Patent Attorney System Subcommittee under the Intellectual Property Policy Committee<sup>1</sup> of the Industrial Structure Council deliberated on the subject, and compiled a report in February 2013 called the Direction for Reviewing the Patent Attorney System. The report found it appropriate to expand the scope of services that patent attorneys can provide, such as clarifying the mission of patent attorneys who act as specialists in the intellectual property field. The report also found it necessary for

<sup>1</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council's organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

patent attorneys to be able provide consulting services during the early concept stages of inventions. The Intellectual Property Committee of the Industrial Structure Council approved the report in February 2014, and made it one of the priorities in its own report.

#### g. Others

The number of PCT international applications with the JPO has doubled in the last 10 years because Japanese companies' activities have been expanding overseas. In order to strongly support such companies' activities, it is necessary to make filing PCT international applications more useful for such companies.

Based on the above, the Patent System Subcommittee under the Intellectual Property Policy Committee of the Industrial Structure Council deliberated on the subject and compiled a report in February 2013 called Towards Accelerating the Establishment of Very Stable Rights and Improved Usability. The report found it appropriate for Japan to include a provision that will enable applicants to pay all the fees for

filing PCT international applications with the JPO in the same way as domestic fees. The Intellectual Property Committee of the Industrial Structure Council approved the report in September 2013.

#### **7) Fostering human resources working on intellectual property**

In order to promote management strategies of Japanese companies based on patent strategies, fostering human resources working on intellectual property will be accelerated by holding practical training programs through discussions and case studies in which intellectual property played an important role in the management strategies of domestic and foreign companies. These courses are designed for corporate executives including top management and managers of corporate planning departments, etc. Especially for SMEs, visiting lectures will be held in various places in cooperation with economic organizations. The "discontinuance" of the "elective courses" including the "Basic Law on Intellectual Property" is currently under discussion by the government, as part of the review on the National Bar Examination system. Accordingly, training of judicial officers (judges, lawyers), who bear the effective use and the dispute resolution function on intellectual property, will be properly handled based on suggestions that necessary measures should be taken paying attention to the state of the discussion, in order to prevent the decline of business capability of judicial officers and the functional decline of the judicial system of Japan.

#### **(2) Legislative and practical measures to be taken immediately**

##### **1) Strengthening protection of trade secrets and improving the consultation system**

When taking into consideration the internationalization of businesses and the prevention of technology leakage, the further strengthening of trade-secret protection is necessary. With this understanding in mind, the JPO will build a system to enable the public and private sectors to collaborate and advance the embodiment of the contents of measures that should be carried out by both the public and private sectors at an early date in order to raise

awareness and collect the broad needs of the industrial sector. The JPO will also advance research regarding trade secret protection systems and to court rulings in major countries. Based on the results of the surveys and industry needs, the JPO will focus on the main issues and deepen discussions on trade secret protection. In addition, the JPO will review existing frameworks such as the Lawyers IP Network that formulates the structure to conduct consultations for SMEs on not only the acquisition of IP rights but also management of trade secrets at the "IP Comprehensive Support Counters."

##### **2) Study on expanding the protection of graphic image designs<sup>1</sup>**

The Design System Subcommittee under the Intellectual Property Policy Committee<sup>2</sup> of the Industrial Structure Council deliberated on how to expand the protection given to graphic image designs, and compiled compiling a report in January 2014 called Support for Japanese Companies to Expand Their Businesses Overseas by Protecting Rights on Creative Designs<sup>3</sup>. The report proposes the following as a future agenda items.

- Immediately start preparing a system for searching registered designs, which utilizes image matching techniques, aiming to provide the services during FY2015.
- Based on the assumption that the service of above-mentioned system is introduced as planned, to have the Working Group on the Design Examination Standards deliberate on specific subjects with an eye on the possibility of revising the examination standards to expand the scope of design protection given to graphic image designs.

<sup>1</sup> See Part 2, Chapter 2.1, (2)

<sup>2</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council's organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee.

<sup>3</sup> The Ministry of Economy, Trade and Industry reviewed the Industrial Structure Council's organizational structure in July 2013, and renamed the former Intellectual Property Policy Committee to the Intellectual Property Committee. Therefore, the subcommittee was the Design System Subcommittee under the Intellectual Property Committee of the Industrial Structure Council when the report was compiled.

- To have the Design System Subcommittee further deliberate on how the design protection system should be, based on the results of the Working Group. Along with this, to define provisions stipulating the usage and infringements, presumptions of negligence, etc. so as to organize how to respond to actions of end users, providers, and other entities.
- Based on the assumption that the accuracy of such a system will be improved, to further discuss how the design protection system should be over the medium and long term, mainly focusing on issues described in the report and based on the progress of deliberations, user needs, and international consistency.

The Intellectual Property Committee of the Industrial Structure Council approved the report in February 2014 and made it one of the priorities in its own report.

### 3) Review of the employees' invention system for strengthening the industrial competitiveness of Japanese companies

Japanese companies are major players in terms of innovation because they account for about 70% of domestic research and development investments. Under Japan's current system, if company employees make inventions while on the job in Japan, the employees and not the companies have the rights to obtain patents for their inventions. Therefore, some people point out that the current employee invention system in Japan creates a management risk in terms of inhibiting the global activities of Japanese companies.

Under this circumstance, the Intellectual Property Strategic Program 2013<sup>1</sup>, the Japan Revitalization Strategy<sup>2</sup>, and other Japanese government reports mention revising the employee invention system. As a result, the government decided to deliberate on revising the system.

<sup>1</sup> [http://www.kantei.go.jp/jp/singi/titeki2/kettei/chizaikeikaku2013\\_e.pdf](http://www.kantei.go.jp/jp/singi/titeki2/kettei/chizaikeikaku2013_e.pdf) (dated June 25, 2013)

<sup>2</sup> [http://www.kantei.go.jp/jp/singi/keizaisaisei/pdf/en\\_saikou\\_jpn\\_hon.pdf](http://www.kantei.go.jp/jp/singi/keizaisaisei/pdf/en_saikou_jpn_hon.pdf) (dated June 14, 2013)

The JPO established its Research and Study Committee on the Employee Invention System, which has held a total of 14 meetings since July 2013 when it first met. The committee studied how foreign countries actually administer their employee invention systems and thought of issues with the related legal systems. For example, the committee investigated how the employee invention systems of various countries function and conducted a survey by sending out questionnaires to companies and researchers.

A report that the Intellectual Property Committee of the Industrial Structure Council compiled in February 2014 requested that the current schedule to summarize issues by mid-2014 and reach a conclusion during fiscal year 2014, i.e., the Intellectual Property Promotion Plan 2013 work schedule, will be moved forward in order to start deliberations at the Patent System Subcommittee in early 2014 and accelerate discussions. To respond to this request by the report, the Patent System Subcommittee has been discussing how the employee invention system should be designed since in March 2014 (As of March 2014).

### 4) Deliberations on acceding to the Patent Law Treaty (PLT) that reduces procedural workload on users

The Patent Law Treaty (PLT) is an international treaty designed to harmonize patent application procedures that differ from country to country. Its aim is to reduce users' workload and lessen requirements in terms of deadlines, making procedures more user-friendly.

Japan revised its law in 2011 in order to allow applicants to reinstate their rights, when they can prove "due care required by the circumstances having been taken" for their failing to meet payment deadlines for patent fees and surcharges, aligning it with Article 12 of the PLT. In addition, a bill was prepared to revise the law so as to introduce further relief measures in accordance with the regulations stipulated in the PLT. This was based on a report called "Towards Accelerating the Establishment of Very Stable Rights and Improved Usability" written by the Patent System Subcommittee under the Intellectual Property Policy



Committee<sup>1</sup> of the Industrial Structure Council. The Japanese Cabinet on March 11, 2014 decided to adopt the bill and submitted it to the 186th ordinary session of the Diet.<sup>2</sup>

International harmonization in terms of patent procedures is also further advancing. For example, the U.S. acceded to the PLT in December 2013, following some European countries. In order to promote this movement further, since it would be desirable for Japan also to accede to the treaty at an early point, the JPO plans to have the Patent System Subcommittee start discussions on the specific items of the domestic law that will need to be revised in order for Japan to accede to the treaty.

**5) Deliberations on measures to prevent the technology leakage due to information on patents being disclosed, such as the system for publishing patent applications**

In recent years, such as concealing the patent information, there is a demand opposite to the current patent system. In such a situation, the JPO will investigate the current status of Japan's patent application system, working to prevent companies from leaking information on their technology. It will study specific measures to improve Japan's patent application procedures, taking note of how Japan's system for requesting patent examination and how other countries operate their systems in terms of secret patents.

**6) Support for searching already disclosed technical documents, etc.**

Currently, SMEs may have difficulties in searching technical documents and data already published because they lack sufficient funds or don't have the needed human resources. In helping SMEs search prior art documents, the JPO is currently giving advice to SMEs on how to search the IPDL at IP Comprehensive Support Counters. However, many SMEs are requesting the JPO to enhance their search service of intellectual property rights, as well as requesting

to support their prior art searches using research companies.

In responding to such requests, the JPO will conduct a thorough study to identify the most user-friendly service for providing information on intellectual property. In addition, the JPO will make use of specified registered search organizations to search technical information that can be used to develop SMEs' businesses worldwide, while taking into consideration the necessity of, priorities for, and cost effectiveness of such organizations.

**7) Investigation into the actual status of dispute resolutions of patents, etc. in Japan**

In order to deliberate the appropriate state of patent rights and design rights, from the perspective of determining whether the system of patent rights, etc. is capable of demonstrating sufficient stability and achieving appropriate effectiveness in Japan, the JPO in cooperation with related ministries, agencies, and institutions will investigate and analyze at an early date the overall situation on the occurrences of patent disputes, etc., in order to resolve them. In addition, the JPO will accelerate deliberations on the appropriate state of exercise of rights by NPEs and exercise of rights of SEPs by taking into account the impact on innovation, discussions held in foreign countries such as the discussion on international negotiations and court decisions in Japan. The necessity of improving the system will also be discussed in the deliberations.

**8) Strengthening the function designed to analyze the correlation between patent information and economy**

In order to broadly integrate IP policy and economic policies, the correlation between IP information including patents, designs, and trademarks and the economy will be analyzed in cooperation with external economists. At the same time, the JPO will foster internal experts who will analyze the economic effects of patent information.

<sup>1</sup> The Industrial Structure Council's organizational structure was reviewed in July 2013, and the "Intellectual Property Policy Committee" was renamed to the "Intellectual Property Committee."

<sup>2</sup> See Part 4, 3, (1), 6), b. "Expanding Scope of Relief Measures"

### **9) Deliberations on ways for honoring, and giving rewards for activities that promote grass-roots innovation**

In cooperation with the related institutions, the JPO in FY2014 will study various existing award programs designed to publicly honor engineers and researchers who developed outstanding technologies and designs. After that, it will study how to publicly honor or reward such inventions and creations in the future.

### **10) Deliberations on issues involving patent rights shared by multiple rights holders**

In the research report titled "Research and Study Report on Handling Patents in joint research", compiled in 2009, reported that "Article 73 of the Patent Law is not necessarily an inhibiting factor on joint research in terms of the consent of non-exclusive licenses to third parties." However, based on several suggestions such as user needs, changes to social conditions, and some voices which are saying that an effective use of results of joint research is indeed inhibited, further discussions will be conducted for promoting the effective use of results of joint research.

### **11) Fostering IP human resources**

In order to promote distribution of intellectual property, human resource development will be conducted for developing human resources' skills capable of discerning the connection between technical demand and supply in such as local financial institutions, SME support agencies, local governments

### **(3) Measures to be achieved based on international frameworks**

#### **1) Japan's system, practices, and dissemination of examination results**

##### **a. Improving the practices of the Patent Prosecution Highway (PPH)**

In order to improve user-friendliness for Japanese companies that are expanding their business globally acquire rights at an early stage in various countries, the JPO, through bilateral and multilateral negotiations, will advance efforts to standardize PPH procedures. The efforts include standardizing required documents and requirements for PPH applications such as the

allowance of machine translations of required documents.

##### **b. Sharing information on examinations among the IP Offices and provision of the information to the public**

Information will be shared on applications and the status of examination, namely, dossier information, among the IP5 Offices (in Japan, US, Europe, China and Korea), and other IP Offices in both advanced nations and emerging nations. At the same time, efforts will be made to provide a service that enables the public to view such information in one location. To begin with, an IT system enabling provision of the JPO's dossier information will be developed in FY2014.

##### **c. Further spreading Japan's examination methods to emerging countries**

Markets in emerging nations in Asia such as China, ASEAN member countries, and India are expected to become more important to Japanese companies in the future. Currently, markets in emerging nations in Asia are gaining prominence, and the number of patent applications filed from Japan to such emerging nations is increasing.

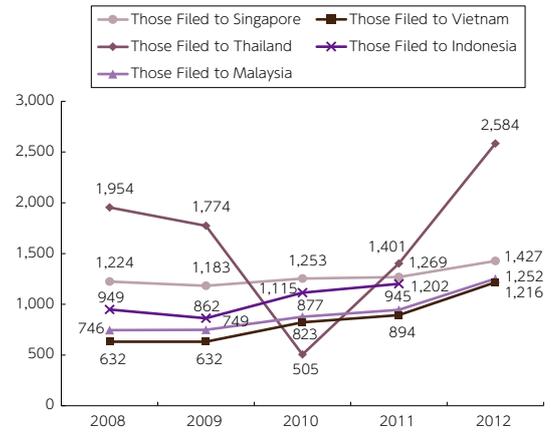
In order to enable Japanese companies to conduct strategic business activities and gain competitive advantages in emerging nations in Asia, it necessary to create a framework in those countries that will allow Japanese companies to acquire intellectual property rights in the same way as they do in Japan. However, some companies have expressed concerns about the current state of development of intellectual property systems in many emerging nations in Asia. For example, some point out that legal systems and examination systems in emerging nations are not fully developed.

Therefore, working in close cooperation with the WIPO and other organizations that support emerging nations in Asia, the JPO will support the development of intellectual-property infrastructures such common platforms that enable information sharing. This will be achieved by the ASEAN-Japan Heads of Intellectual Property Offices Meeting and other various meetings resolving issues that the JPO has with providing information on its examination results

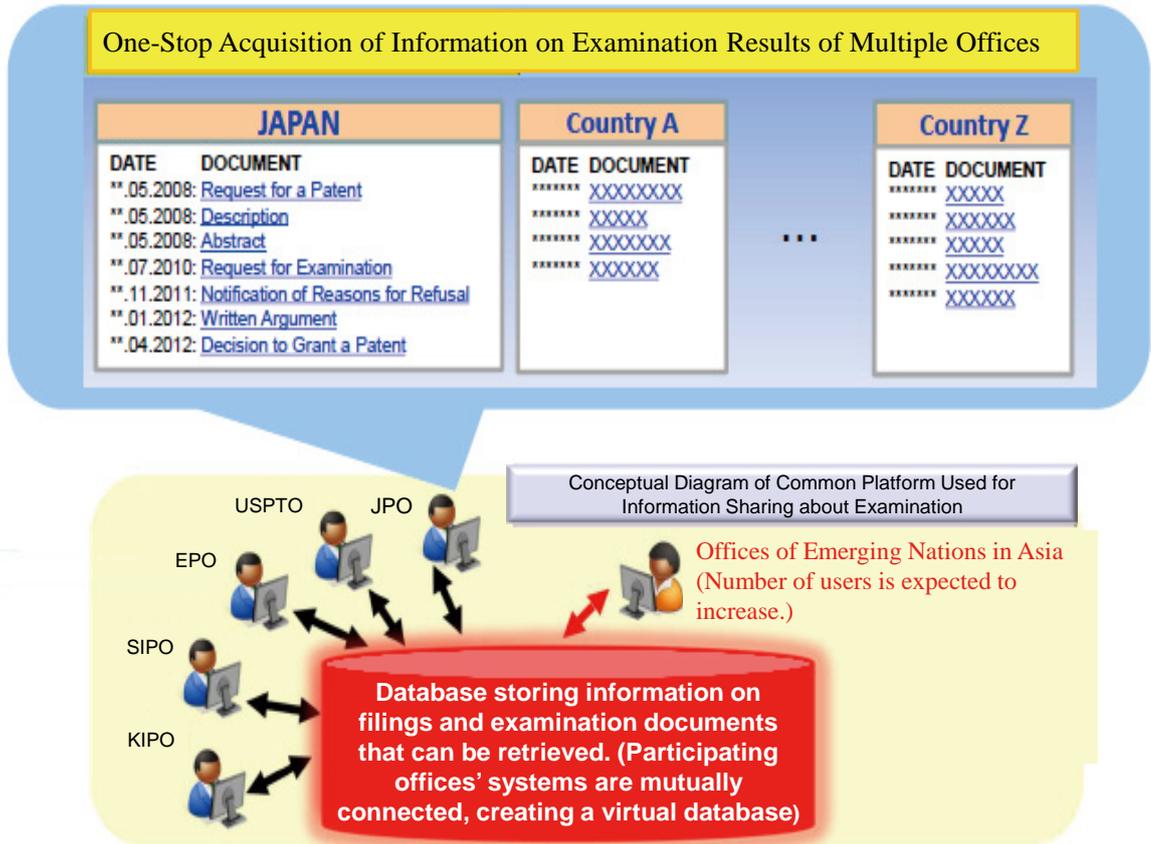
and examination methods.

Furthermore, the JPO will gradually conduct short-term and long-term examiner exchange programs with the emerging countries in Asia which in the past have been conducted mainly with the developed countries and enhance training programs designed to develop IP human resources which have produced many leaders of IP offices in emerging countries in Asia, to further spread its examination methods to the emerging countries.

**Figure 4-3 Patent Applications Filed from Japan to ASEAN Countries**



**Figure 4-4 Conceptual Diagram of Common Platform Used for Information Sharing**



## 2) Global harmonization of the IP systems which serve as the basis

The JPO will work to advance the global harmonization of intellectual property systems that serve as the foundations to the IP field.

### a. Improvement of the Patent Cooperation Treaty (PCT<sup>1</sup>) system (Improving the quality of search results etc. at the international phase)

By involving other IP Offices in developed countries through the Meeting of the IP5 Heads of Offices and various bilateral meetings, the JPO will aim at improving the International Search Reports (ISRs) issued by International Searching Authorities (ISAs) and the practices that make maximum use of search and examination results in each country at an early date at the forum of the WIPO.

### b. Measures to enable Japanese companies to file applications under the same procedures in each country

With the aim of standardizing filing procedures for designs, the JPO will proactively participate in discussions on the Design Law Treaty (DLT) at the WIPO. The industries in Japan are greatly concerned with these discussions. Furthermore, the JPO will pay attention to the users' feedback and lead discussions at various forums such as the Meeting of the IP5 Heads of Offices. By listening to users' feedback, the JPO will advance discussions on patent system harmonization, which include the issue of the grace period<sup>2</sup> a significant issue for users at universities and

research institutions.

### c. Promoting trade-secret protection among Japan, China and Korea

In view of the agreement reached in the Meeting of the Heads of the IP Offices of Japan, China, and Korea, the Offices will start exchanging opinions and research by experts on each country's practices as well as advance cooperation on effective state of trade-secret protection by taking user needs into consideration.

### d. Addressing the issues of current IP systems existing in foreign countries

It has been pointed out that in some emerging nations such as China and India, people are having difficulties acquiring patent rights within their appropriate technical scopes due to the following issues: (1) strict examination practices conducted in these countries, (2) abuse of rights that are registered without undergoing examination, and (3) problems associated with establishing compulsory licenses and protecting data. Such circumstances strongly affect the interests of Japanese companies. Therefore, the JPO will strengthen its activities in support of these emerging nations, such as further collaborating with related organizations in Japan and developed countries, working together with high-ranking officials so that emerging nations will introduce systems making it possible to extend the duration of patent rights, protect data, and operate appropriate systems for dealing with intellectual property rights.

## Column 3

### About JPO's Quality Policy on Patent Examination

In April 2014, the JPO released its "Quality Policy on Patent Examination" that the JPO established with the aim to further improve the quality of its patent examination.<sup>3</sup>

This Quality Policy outlines the

fundamental principles of quality management. Based on the recognition that globally reliable patents of high quality are important for supporting smooth business expansion worldwide and promoting innovation, the JPO is dedicated to achieve patent examination of the fastest and utmost quality in the world by maintaining and improving the quality of patent examination in accordance with the Quality Policy.

<sup>1</sup> "PCT" is an acronym of the "Patent Cooperation Treaty."

<sup>2</sup> the period of time granted for an invention that has already been disclosed before filing a patent application, without the invention losing its novelty

<sup>3</sup> JPO website at [http://www.jpo.go.jp/seido\\_e/s\\_gaiyou\\_e/pdf/patent\\_policy/policy.pdf](http://www.jpo.go.jp/seido_e/s_gaiyou_e/pdf/patent_policy/policy.pdf)

A traditional Japanese garden scene viewed through a window with a dark wooden frame and a white grid pattern. The garden features a stone pagoda with three tiers, partially obscured by trees with vibrant autumn foliage in shades of red, orange, and green. In the foreground, there are various plants, including a large green leafy plant and a small stone lantern. A stone path leads through the garden, and a large, dark, rounded object, possibly a water feature or a large pot, is visible in the lower left corner.

## Part 5

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# Statistics and Appendixes



## General Statistics

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	423,081	427,078	408,674	396,291	391,002	348,596	344,598	342,610	342,796	328,436
Request for Examinations	328,105	396,933	382,116	376,310	347,836	254,368	255,192	253,754	245,004	240,188
First actions	234,109	243,548	292,756	307,665	342,654	361,439	377,089	363,876	369,679	356,179
Decision of registrations	112,221	111,179	129,071	146,383	159,961	178,227	205,652	220,495	254,502	260,046
Registrations	124,192	122,944	141,399	164,954	176,950	193,349	222,693	238,323	274,791	277,079

(Note)

The number of first actions indicates the number of first notices of examination results made by examiners. The results consist of decisions to grant a patent or notification of reasons for refusal and are sent to applicants.

Utility models	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	7,983	11,386	10,965	10,315	9,452	9,507	8,679	7,984	8,112	7,622
Registrations	7,356	10,569	10,591	10,080	8,917	9,019	8,571	7,595	8,054	7,363
Requests for report of technical opinions on registrability of the Utility models	1,061	1,151	1,091	905	746	677	633	491	519	437

Designs	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	40,756	39,254	36,724	36,544	33,569	30,875	31,756	30,805	32,391	31,125
First actions	42,026	39,651	37,013	35,548	35,087	34,098	31,490	30,775	31,848	31,268
Decision of registrations	33,513	31,698	28,687	27,933	29,150	29,051	27,641	26,589	28,691	28,208
Registrations	32,681	32,633	29,689	28,289	29,382	28,812	27,438	26,274	28,349	28,288

(Note)

- Registrations include registered similar designs.
- The number of first actions indicates the number of first notices of examination results made by examiners. The results consist of decisions to grant a patent or notification of reasons for refusal and are sent to applicants.

Trademarks	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	128,843	135,776	135,777	143,221	119,185	110,841	113,519	108,060	119,010	117,674
First actions	126,284	122,858	139,443	123,943	138,451	128,605	123,655	101,115	117,135	121,254
Decision of registrations	100,889	97,939	109,415	98,545	107,780	113,103	104,190	91,249	100,002	106,885
Registrations	95,866	94,439	103,435	96,531	100,243	108,717	97,780	89,279	96,360	103,399

(Note)

- The number of registrations include the number of renewal registrations and defensive mark registrations.
- The number of first actions indicates the number of first notices of examination results made by examiners. The results consist of decisions to grant a patent or notification of reasons for refusal and are sent to applicants.

## Japanese and Foreigners

Patents		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	Japanese	368,416	367,960	347,060	333,498	330,110	295,315	290,081	287,580	287,013	271,731
	Foreigners	54,665	59,118	61,614	62,793	60,892	53,281	54,517	55,030	55,783	56,705
Registrations	Japanese	112,527	111,088	126,804	145,040	151,765	164,459	187,237	197,594	224,917	225,571
	Foreigners	11,665	11,856	14,595	19,914	25,185	28,890	35,456	40,729	49,874	51,508

(Note)

The number of first actions indicates the number of first notices of examination results made by examiners. The results consist of decisions to grant a patent or notification of reasons for refusal and are sent to applicants.

Utility models		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	Japanese	6,337	9,421	8,922	8,399	7,717	7,799	6,889	6,305	6,292	5,965
	Foreigners	1,646	1,965	2,043	1,916	1,735	1,708	1,790	1,679	1,820	1,657
Registrations	Japanese	5,711	8,462	8,523	8,160	7,187	7,361	6,755	5,998	6,221	5,738
	Foreigners	1,645	2,107	2,068	1,920	1,730	1,658	1,816	1,597	1,833	1,625

(Note)

"Utility Models" are the numbers of utility model application filings/registrations made under the revised Utility Model Law which came into effect in January, 1994.

Designs		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	Japanese	37,565	35,746	33,094	32,202	29,621	27,674	28,083	26,658	27,934	26,407
	Foreigners	3,191	3,508	3,630	4,342	3,948	3,201	3,673	4,147	4,457	4,718
Registrations	Japanese	30,485	29,971	27,034	25,228	25,986	25,819	24,458	23,042	24,610	24,272
	Foreigners	2,196	2,662	2,655	3,061	3,396	2,993	2,980	3,232	3,739	4,016

(Note)

Registrations include the number of registered similar designs.

Trademarks		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Applications	Japanese	110,270	114,015	111,754	118,155	95,674	90,474	92,163	84,673	95,548	92,495
	Foreigners	18,573	21,761	24,023	25,066	23,511	20,367	21,356	23,387	23,462	25,179
Registrations	Japanese	83,013	80,962	88,411	79,836	82,469	88,449	79,338	70,800	77,129	82,736
	Foreigners	12,853	13,477	15,024	16,695	17,774	20,268	18,442	18,479	19,231	20,663

Note)

The number of registrations includes the numbers of renewal registrations, defensive mark registrations and the registrations which are registered through the extension of protections designating Japan under the Madrid Protocol System.

### Technical fields

Patent		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Applications	A section	47,399	47,456	49,015	47,832	46,436	44,438	41,401	42,070	41,099	44,334
	B section	70,223	68,936	69,534	63,700	62,136	61,545	54,778	53,102	52,518	52,168
	C section	46,236	44,379	47,193	45,931	45,114	44,828	41,976	42,036	41,564	41,267
	D section	4,780	4,658	4,673	4,266	4,164	4,004	3,276	3,065	3,086	3,094
	E section	14,609	13,808	13,144	11,870	11,118	10,476	9,512	9,050	9,201	9,340
	F section	34,796	34,718	34,364	34,547	33,970	34,593	29,387	29,149	29,980	30,532
	G section	99,428	103,427	105,393	100,039	95,062	92,308	80,538	78,596	76,078	74,687
	H section	93,585	96,623	101,855	99,399	96,887	97,425	86,517	86,389	87,834	86,156
	Total	411,056	414,005	425,171	407,584	394,887	389,617	347,385	343,457	341,360	341,578

(Note)

The number of assigned classifications that indicate the most appropriate subject of invention is counted in the statistics.

The statistics for 2010 are the number of classified applications as of 20 April 2012.

Patent		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Registrations	A section	12,982	12,881	14,179	16,057	18,401	21,649	25,877	27,286	32,398	34,705
	B section	22,980	23,659	26,296	29,370	32,219	36,515	39,067	40,033	44,837	44,122
	C section	13,670	12,339	15,348	19,191	20,900	21,619	25,228	26,578	32,182	34,280
	D section	1,525	1,402	1,909	2,273	2,168	2,483	2,454	2,852	2,714	2,431
	E section	6,050	6,824	7,772	8,426	7,497	6,756	7,948	8,108	8,444	8,922
	F section	11,265	11,782	14,072	16,383	17,553	17,971	19,460	19,653	22,378	22,225
	G section	27,404	26,752	30,703	35,382	39,117	41,700	49,214	55,528	63,374	61,211
	H section	28,316	27,305	31,120	37,872	39,095	44,656	53,445	58,285	68,464	69,181
	Total	124,192	122,944	141,399	164,954	176,950	193,349	222,693	233,323	274,791	277,077

(Note)

The number of assigned classifications that indicate the most appropriate subject of invention is counted in the statistics.

## Period of Examination and Appeal/Trial Examination

### (1) Substantive Examination

#### - first action period -

(unit:month)

	2010	2011	2012	2013
Patents and Utility Models	28.7	25.9	20.1	14.1
Designs	6.5	6.6	6.3	6.3
Trademarks	5.3	4.8	4.7	4.2

(Note)

The period of first actions refers to the period from the date of application or request for examination to the date when the first notice of an examination result (mainly a decision to grant a patent, a decision of registration, or a notification of reasons for refusal) is sent by the examiner to the applicant.

### (2) Trials and Appeals

(unit:month)

Appeal Before the Grant of Right (Appeals against examiner's decision of refusal) - first action period -	2010	2011	2012	2013
Patents and Utility Models	24	20	16	12
Designs	6	7	7	7
Trademarks	11	9	7	6

(Note)

The period of first action refers to the period from the date of appeal to the date when the first notice of an appeal/trial examination result (mainly an appeal/trial decision or notice of rejection) is sent by the appeal examiner to the applicant.

Oppositions - examination period -	2010	2011	2012	2013
Trademarks	8	8	7	6

Trial After the Grant of Right (Trial for Invalidation / Correction / Cancellation, Hantei) - examination period -	2010	2011	2012	2013
Patents and Utility Models	7	6	6	6
Designs	7	7	9	7
Trademarks	6	6	6	5

## Accelerated Examination and Accelerated Appeal Examination

### (1) Accelerated Examination

	Number of Requests for Examination <sup>1</sup>			Period of Examination <sup>2</sup> (unit:month)		
	2011	2012	2013	2011	2012	2013
Patents	12710 (4)	14717 (2)	15187 (1)	2	2	2
Utility models	–	–	–	–	–	–
Designs	132	133	140	1.8	1.6	1.8
Trademarks	1,253	1,504	1,587	1.8	1.8	1.8

### (2) Accelerated Appeal Examination

	Number of Requests for Appeal <sup>1</sup>			Period of Appeal Examination <sup>3</sup> (unit:month)		
	2011	2012	2013	2011	2012	2013
Patents	190	149	153	3.5	3.3	3.3
Utility models	10	1	1	1.4	3	3.5
Designs	7	10	8	2.3	1.7	4.8
Trademarks	207	160	162	3.4	3.2	3.4

(Note)

\*1: This is the number of cases where forms of “explanation of situation for accelerated examination” or those of “explanation of situation for accelerated appeal examination” are filed. Figures in parentheses are the numbers of requests for preferential examination filed, and are not included in the respective numbers of requests for accelerated examination.

\*2: It is averaged over cases to which accelerated examination processes were applied. It is an average over periods between times when requests were filed and those when first examination results were notified.

\*3: It is averaged over cases to which accelerated appeal examination processes were applied. It is an average over periods between times when it became ready to conduct appeal examination after requests had been filed, and those when appeal/trial decisions were notified.

## Changes in Requests for Examination of Patent Applications

### (1) Changes in Requests for Examination

Patents										
Requesting Year										
Year of Application	Number of Applications	Year of Application	One Year Later	Two Years Later	Three Years Later	Four Years Later	Five Years Later	Six Years Later	Seven Years Later	Total Number of Requests for Examination 2011
2004	423,081	36,259	39,483	78,544	125,639	325				280,250
	(39,973)	(6,310)	(18,262)	(12,463)	(235)	(118)				(37,388)
		8.6%	9.3%	18.6%	29.7%	0.1%				66.2%
2005	427,078	36,749	38,246	72,027	130,775					277,797
	(45,576)	(6,555)	(19,694)	(13,183)	(203)					(39,635)
		8.6%	9.0%	16.9%	30.6%					65.0%
2006	408,674	37,086	38,016	71,528	113,591					260,221
	(50,971)	(4,842)	(21,177)	(14,179)	(208)					(40,406)
		9.1%	9.3%	17.5%	27.8%					63.7%
2007	396,291	40,128	38,702	62,973	110,682					252,485
	(54,056)	(7,852)	(22,297)	(13,553)	(214)					(43,916)
		10.1%	9.8%	15.9%	27.9%					63.7%
2008	391,002	45,858	35,869	65,132	110,257					257,116
	(54,546)	(14,364)	(21,153)	(13,211)	(188)					(48,916)
		11.7%	9.2%	16.7%	28.2%					65.8%
2009	348,596	41,935	32,990	61,126	97,850					233,901
	(48,773)	(13,120)	(19,842)	(12,050)	(172)					(45,184)
		12.0%	9.5%	17.5%	28.1%					67.1%
2010	344,598	46,388	33,513	58,774	95,105					233,780
	(49,474)	(14,253)	(19,537)	(12,029)	(168)					(45,987)
		13.5%	9.7%	17.1%	27.6%					67.8%
2011	342,610	48,858	32,879	54,842						136,579
	(51,519)	(16,151)	(19,240)	(11,739)						(47,130)
		14.3%	9.6%	16.0%						39.9%
2012	342,796	55,501	31,654							87,155
	(53,058)	(18,196)	(18,930)							(37,126)
		16.2%	9.2%							25.4%
2013	328,436	58,587								58,587
	(54,157)	(19,585)								(19,585)
		17.8%								17.8%

(Note)

- In the table above, figures in parentheses() represent the number of requests for examination of those applications that had been PCT applications and entered into national phases. Those figures are included in respective figures not in parentheses.
- In the table above, figures in parentheses < > represent the number of those applications that had been PCT applications and entered into national phases. Those figures are included in respective figures not in parentheses.  
The Ratio of Requests for Examination is equal to the Number of Requests for Examination divided by the Number of Applications.
- The period during which applicants can request examination of their applications has been shortened from seven years to three years since October 2001. There are applications that were filed in 2002 or later, but requests for their examination were done four years later after they had been filed. This is because they were converted or divisional applications whose original applications were filed when an old act was applicable or before October 2001, and the old act was still applicable to those converted or divisional applications. The period to request their examination was therefore seven years.



### (2) Changes in Number of Applications Withdrawn or Abandoned before First Actions

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Applications Withdrawn or Abandoned before First Actions	6,340	5,239	15,110	22,833	18,724	33,005	16,265	11,989	8,003	5,709

### (3) Changes in Average Number of Claims

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Average Number of Claims at the time of Filing Patent Applications	All Applications	9.5	9.7	10.1	10.1	9.8	9.7	9.6	9.7	9.6	9.8
	Applications Not through PCT	7.8	7.9	8.0	7.9	7.8	7.7	7.8	8.0	8.2	8.3

**Change in Number of Patent backlogs**

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Pending Applications	605,949	755,138	837,887	888,198	868,025	716,812	573,279	448,123	319,247	196,732

(Note)

The number of pending examinations are as of December 31 in each year. It does not include those that used the Deferral System for Examination Request Fee.







### Number of Registrations by origin

	Patents						Utility Models						Designs						Trademarks					
	2011		2012		2013		2011		2012		2013		2011		2012		2013		2011		2012		2013	
	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total	Direct	PCT N.E.	total
JP Japan	185,974	11,620	197,594	208,806	106,612	224,917	204,998	20,573	225,571	5,988	6,221	5,738	23,042	24,610	24,272	70,780	20	70,800	77,100	28	77,129	82,883	43	82,736
AD Andorra																								
AE United Arab Emirates	1		1			3		3																
AG Antigua and Barbuda																								
AM Armenia																								
AN Netherlands Antilles																								
AO Angola																								
AR Argentina	3	1	2	1	2	3		3																
AT Austria	62	132	194	77	202	279	69	202	271	2	13	21	34	7	130	137	10	110	120	20	20	105	125	125
AU Australia	52	316	368	54	299	353	71	260	331	4	1	7	46	54	71	84	194	278	77	177	254	83	237	320
BB Barbados	22	14	36	36	46	82	25	57	82															
BD Bangladesh																								
BE Belgium	67	254	321	58	339	397	92	379	471	1	1	13	17	13	17	129	146	23	123	146	30	123	153	153
BG Bulgaria	2	2																						
BH Bahrain																								
BM Bermuda	113	3	116	227	3	230	11	3	14	3														
BN Brunei Darussalam	2	1	3	3	3	3	3	1	1															
BR Brazil	5	33	38	4	38	42	4	45	49	4	1	1	9	5	6	61	61	61	61	61	61	58	58	58
BS Bahamas	5	5	8	8	8	8	8	7	8															
BY Belarus	1	1	1	1	2	2																		
BZ Belize	1	1	1	1	1	1																		
CA Canada	100	359	459	137	430	567	168	406	574	3	7	5	27	17	21	166	9	175	163	11	174	177	12	189
CH Switzerland	590	1,204	1,794	588	1,510	2,098	678	1,545	2,223	10	13	13	212	314	272	291	847	1,138	380	858	1,238	358	804	1,162
CL Chile	147	269	416	332	490	822	411	832	1,243	149	213	212	97	126	134	431	599	1,030	583	558	1,151	588	641	1,229
CO Colombia	1	1	1	1	3	4																		
CU Cuba	9	9	11	11	11	11																		
CY Cyprus	11	11	12	12	12	12																		
CZ Czech Republic	8	8	8	8	11	13																		
DE Germany	1,840	4,113	5,953	2,016	4,748	6,764	1,844	4,829	6,673	14	31	31	347	391	325	390	1,497	1,857	319	1,506	1,825	332	1,456	1,788
DK Denmark	38	274	312	47	293	340	55	220	285															
EC Ecuador																								
EE Estonia	1	1	1	1	2	2																		
EG Egypt																								
ES Spain	15	83	98	19	108	127	23	123	146	4	2	1	23	20	15	62	215	277	61	239	300	68	272	340
FI Finland	67	355	422	63	342	405	50	282	332	2	4	8	25	20	23	14	73	87	12	83	95	27	82	109
FJ Fiji																								
FR France	805	1,956	2,761	792	2,416	3,208	972	2,609	3,381	5	7	13	149	158	199	362	977	1,339	340	963	1,303	356	1,035	1,391
GB United Kingdom	207	948	1,155	270	1,209	1,479	356	1,150	1,506	1	4	4	113	203	88	434	470	904	356	493	849	427	643	1,070
GE Georgia																								
GI Gibraltar																								
GR Greece	7	7	7	7	10	11																		
HK Hong Kong	31	13	44	35	19	54	43	15	58	23	28	23	53	58	55	108	1	169	245	245	238	238	238	238
HR Croatia	3	3	3	3	3	3																		
HU Hungary	2	17	19	3	12	15																		
ID Indonesia	2	2	2	2	4	4																		
IE Ireland	20	250	270	24	229	253	68	193	261															
IL Israel	42	223	265	53	229	282	63	208	271	4	7	12	15	21	21	25	25	25	25	25	25	25	25	25
IN India	6	51	57	7	95	102	12	110	122															
IR Iran (Islamic Republic of)	1	1	2																					
IS Iceland																								
IT Italy	165	442	607	237	509	746	197	554	751	15	10	11	95	145	168	125	743	868	170	782	952	154	782	936





## International Activities

### (1) PCT

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PCT filings	19,850	24,290	26,422	26,935	28,027	29,291	31,524	37,974	42,787	43,075
Demand for International Preliminary Examination	4,246	2,526	2,576	2,558	2,123	2,152	2,120	2,286	2,661	2,293
ISR (International Search Report)	18,025	23,587	25,556	26,033	26,523	28,927	29,993	35,633	40,529	42,377
IPER (International Preliminary Examination Report)	5,748	3,328	3,023	2,741	2,321	2,173	1,952	2,198	2,702	2,509

### (2) International Trademark filings : Under the Madrid Protocol System

Trademarks	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Filings	734	839	875	1,005	1,265	1,310	1,567	1,547	2,127	1,881
Designated states	6,517	7,314	5,952	5,790	7,311	6,364	7,242	8,001	10,098	10,091
Extension of protections designating Japan	7,160	9,969	11,794	12,295	12,586	10,641	10,825	12,412	11,788	13,696
First actions	5,754	7,116	8,198	12,165	14,558	12,371	13,878	9,316	12,211	12,968
Decisions of registration	3,964	5,386	5,357	7,722	10,446	10,203	9,932	8,286	9,554	10,415
Registrations	3,254	3,991	5,240	6,520	8,459	10,319	8,694	8,669	8,934	9,745

(Note)

- The number of filings indicates the number of Madrid protocol applications filed with the Japan Patent Office as the Office of Origin.
- The number of first actions indicates the number of first notices of examination results made by examiners. The results consist of decisions to grant a patent or notification of reasons for refusal and are sent to the International Bureau.

**(3) International Trademark filings filed with the JPO, by Designated Office**

Trademarks	2009	2010	2011	2012	2013
Designated Office					
AG Antigua and Barbuda	7	10	4	14	6
AL Albania	28	18	15	21	18
AM Armenia	18	27	34	26	21
AN Netherlands Antilles	12	9	0	0	0
AT Austria	38	35	31	40	24
AU Australia	297	361	362	510	479
AZ Azerbaijan	15	28	34	34	32
BA Bosnia and Herzegovina	20	22	30	32	27
BG Bulgaria	13	20	8	8	5
BH Bahrain	30	38	47	57	54
BQ Bonaire, Sint Eustatius and Saba	-	-	5	9	3
BT Bhutan	16	6	8	15	18
BW Botswana	10	10	5	12	10
BX Benelux Office for Intellectual Property (BOIP)	62	57	61	69	43
BY Belarus	46	34	56	59	50
CH Switzerland	217	208	212	236	258
CN China	957	1,139	1,198	1,526	1,227
CO Colombia	-	-	-	16	91
CU Cuba	15	16	18	14	19
CW Curaçao	-	-	5	12	5
CY Cyprus	11	21	5	3	2
CZ Czech Republic	18	28	10	12	12
DE Germany	118	127	142	146	120
DK Denmark	37	30	36	41	11
EE Estonia	9	18	15	7	5
EG Egypt	14	57	66	76	90
EM Office for Harmonization in the Internal Market (OHIM)	524	578	694	909	860
ES Spain	62	49	60	65	44
FI Finland	30	31	23	34	11
FR France	127	119	145	149	117
GB United Kingdom	139	128	137	149	127
GE Georgia	25	34	40	31	34
GH Ghana	11	14	15	26	23
GR Greece	15	26	15	19	7
HR Croatia	51	37	45	55	33
HU Hungary	15	18	13	19	5
IE Ireland	11	15	12	10	8
IL Israel	-	19	61	94	76
IN India	-	-	-	-	186
IR Iran (Islamic Republic of)	42	54	50	74	77
IS Iceland	71	52	45	45	44
IT Italy	92	88	95	120	85
KE Kenya	17	28	25	43	42
KG Kyrgyzstan	16	20	22	20	23
KR Republic of Korea	639	872	928	1,075	979
KZ Kazakhstan	-	1	46	62	61
LI Liechtenstein	31	38	26	23	23
LR Liberia	0	8	7	16	10
LS Lesotho	10	8	7	13	7
LT Lithuania	9	19	15	6	4
LV Latvia	9	19	15	7	3
MA Morocco	34	28	33	38	49
MC Monaco	43	36	35	31	19
MD Republic of Moldova	34	30	35	34	27
ME Montenegro	31	19	22	31	34
MG Madagascar	10	7	10	16	6
MK The former Yugoslav Republic of Macedonia	24	19	30	33	26
MN Mongolia	30	26	41	30	65
MX United Mexican States	-	-	-	-	189
MZ Mozambique	7	9	10	22	15
NA Namibia	10	7	8	15	12
NO Norway	179	161	181	163	193
NZ New Zealand	-	-	-	5	181
OM Oman	26	37	42	61	43
PH Philippines	-	-	-	128	398
PL Poland	20	26	23	23	9
PT Portugal	31	23	30	33	10
RO Romania	18	16	12	10	5
RS Serbia	42	29	30	53	41
RU Russian Federation	287	283	361	425	390
RW Republic of Rwanda	-	-	-	-	1
SD Sudan	-	12	15	22	21
SE Sweden	36	32	42	46	13
SG Singapore	361	444	519	724	709
SI Slovenia	11	13	6	7	3
SK Slovakia	15	14	9	7	0
SL Sierra Leone	11	8	6	14	6
SM San Marino	17	11	5	15	6
ST Sao Tome and Principe	8	4	5	7	4
SX Sint Maarten (Dutch part)	-	-	5	11	4
SY Syrian Arab Republic	29	29	33	34	30
SZ Swaziland	10	9	7	14	9
TJ Tajikistan	-	-	9	24	26
TM Turkmenistan	18	19	21	19	25
TN Republic of Tunisia	-	-	-	-	3
TR Turkey	111	143	179	162	234
UA Ukraine	70	63	78	117	114
US United States of America	656	781	842	1,194	1,099
UZ Uzbekistan	15	26	28	40	39
VN Viet Nam	201	272	332	408	499
ZM Zambia	12	12	9	21	14
XX others	3	0	0	2	1
<b>total</b>	<b>6,364</b>	<b>7,242</b>	<b>8,001</b>	<b>10,098</b>	<b>10,091</b>
International Trademark filing (Office of Origin)	1,310	1,567	1,547	2,127	1,881

(note)

- The number of designated countries at the international Trademark filing were counted.
- The number of International trademark applications (Office of Origin) indicate the number of applications which were received by the JPO as the Office of Origin.

## (4) Extension of protections designating Japan under the Madrid Protocol System (Application)

Trademarks		2009	2010	2011	2012	2013
	Office of Origin					
AG	Antigua and Barbuda	0	0	0	0	0
AL	Albania	1	0	0	0	0
AM	Armenia	1	0	17	3	1
AN	Netherlands Antilles	8	8	2	0	0
AT	Austria	157	124	130	98	131
AU	Australia	326	273	332	308	352
AZ	Azerbaijan	0	0	0	0	1
BA	Bosnia and Herzegovina	0	0	0	0	0
BG	Bulgaria	20	9	20	40	32
BH	Bahrain	0	0	2	0	0
BQ	Bonaire, Sint Eustatius and Saba	-	-	0	0	0
BT	Bhutan	0	0	0	0	0
BW	Botswana	0	1	0	0	0
BX	Benelux Office for Intellectual Property (BOIP)	444	404	453	398	433
BY	Belarus	1	2	3	2	7
CH	Switzerland	831	1,044	983	906	1,009
CN	China	572	745	919	755	1,115
CO	Colombia	-	-	-	0	2
CS	Czechoslovakia	0	1	1	0	1
CU	Cuba	1	0	2	2	2
CW	Curaçao	-	-	1	1	1
CY	Cyprus	2	8	8	9	18
CZ	Czech Republic	28	11	30	32	25
DE	Germany	1,433	1,233	1,459	1,232	1,241
DK	Denmark	160	179	121	114	142
EE	Estonia	4	2	3	4	6
EG	Egypt	0	5	11	2	7
EM	Office for Harmonization in the Internal Market (OHIM)	1,169	1,281	1,782	1,807	2,220
ES	Spain	180	158	167	187	184
FI	Finland	66	63	67	52	49
FR	France	1,199	1,201	1,188	1,083	1,147
GB	United Kingdom	432	409	449	494	622
GE	Georgia	2	1	2	2	4
GH	Ghana	0	0	0	0	0
GR	Greece	11	5	14	8	14
HR	Croatia	5	3	3	7	5
HU	Hungary	28	16	8	16	14
IE	Ireland	20	25	10	14	17
IL	Israel	-	4	55	55	63
IN	India	-	-	-	-	1
IR	Iran (Islamic Republic of)	1	12	4	5	3
IS	Iceland	8	9	1	2	19
IT	Italy	891	813	947	827	914
KE	Kenya	2	0	4	0	0
KG	Kyrgyzstan	0	0	0	0	0
KR	Republic of Korea	134	187	275	312	271
KZ	Kazakhstan	-	-	0	3	1
LI	Liechtenstein	52	46	45	37	33
LR	Liberia	0	0	0	0	0
LS	Lesotho	0	0	0	0	0
LT	Lithuania	1	1	4	2	3
LV	Latvia	8	9	6	13	7
MA	Morocco	9	10	7	6	3
MC	Monaco	10	14	15	9	14
MD	Republic of Moldova	2	1	4	1	0
ME	Montenegro	0	2	0	0	0
MG	Madagascar	0	0	0	0	0
MK	The former Yugoslav Republic of Macedonia	0	1	1	1	1
MN	Mongolia	1	2	5	0	1
MX	United Mexican States	-	-	-	-	7
MZ	Mozambique	0	0	0	0	0
NA	Namibia	0	0	0	0	0
NO	Norway	97	83	74	54	75
NZ	New Zealand	-	-	-	0	71
OM	Oman	0	0	0	0	0
PH	Philippines	-	-	-	0	21
PL	Poland	30	26	22	30	25
PT	Portugal	30	40	28	16	42
RO	Romania	6	10	8	4	24
RS	Serbia	6	8	1	3	4
RU	Russian Federation	104	81	103	159	141
RW	Republic of Rwanda	-	-	-	-	0
SD	Sudan	0	0	0	0	0
SE	Sweden	118	82	62	65	73
SG	Singapore	90	70	128	98	115
SI	Slovenia	14	5	19	9	13
SK	Slovakia	6	2	6	10	18
SL	Sierra Leone	0	0	0	0	0
SM	San Marino	5	5	0	5	4
ST	Sao Tome and Principe	0	0	0	0	0
SX	Sint Maarten (Dutch part)	-	-	0	0	0
SY	Syrian Arab Republic	0	2	0	0	0
SZ	Swaziland	0	0	0	0	0
TJ	Tajikistan	-	-	0	0	0
TM	Turkmenistan	0	0	0	0	0
TN	Republic of Tunisia	-	-	-	-	0
TR	Turkey	118	90	93	80	182
UA	Ukraine	6	9	20	20	34
US	United States of America	1,764	1,968	2,271	2,348	2,680
UZ	Uzbekistan	1	0	0	0	1
VN	Viet Nam	26	21	17	38	30
YU	Yugoslavia/Serbia and Montenegro	0	1	0	0	-
ZM	Zambia	0	0	0	0	0
	total	10,641	10,825	12,412	11,788	13,696

(Note)

Hyphen indicates un-joining to Madrid Protocol

## Appeals / Trials / Oppositions

### (I) Appeals against Examiner's Decision of Refusal

Patents	2008	2009	2010	2011	2012	2013
Demands	31,019	24,137	27,889	26,663	24,958	24,644
Applications patented in the reconsideration procedure	13,208	11,595	13,627	14,030	13,459	12,998
reconsideration reports by examiners	12,836	10,145	10,109	8,854	7,986	8,126
Final dispositions in Appeals Department						
└ Accepted	6,511	7,400	8,503	8,783	8,518	6,726
└ Not Accepted (including dismissal)	8,482	7,982	7,928	7,490	6,688	5,483
└ Withdrawal/abandonment	3,216	3,863	3,114	2,811	2,378	1,662

Utility models (under old law)	2008	2009	2010	2011	2012	2013
Demands	0	0	0	0	0	0
Applications patented in the reconsideration procedure	0	0	0	0	0	0
reconsideration reports by examiners	0	0	0	0	0	0
Final dispositions in Appeals Department						
└ Accepted	0	0	0	0	0	0
└ Not Accepted (including dismissal)	0	0	0	0	0	0
└ Withdrawal/abandonment	0	0	0	0	0	0

Patents and Utility models (under old law)	2008	2009	2010	2011	2012	2013
Number of First Action	19,812	15,328	16,392	16,064	14,549	11,247

Designs	2008	2009	2010	2011	2012	2013
Demands	776	513	467	440	396	363
Number of First Actions	974	670	493	431	390	393
Final dispositions in Appeals Department						
└ Accepted	688	475	309	276	272	252
└ Not Accepted (including dismissal)	293	228	193	148	150	129
└ Withdrawal/abandonment	19	8	12	3	4	3

Trademarks	2008	2009	2010	2011	2012	2013
Demands	1,186	1,415	1,326	1,229	899	1,012
Number of First Actions	2,249	1,054	1,313	1,432	1,368	841
Final dispositions in Appeals Department						
└ Accepted	1,605	681	801	1,036	1,206	627
└ Not Accepted (including dismissal)	451	427	473	465	279	245
└ Withdrawal/abandonment	33	32	45	32	20	17

**(2) Trials for Invalidation**

Patents	2008	2009	2010	2011	2012	2013
Demands	292	257	237	269	217	247
Final dispositions in Appeals Department						
└ Accepted (including partially invalidated)	182	123	102	91	73	43
└ Not Accepted (including dismissal)	92	123	129	140	144	139
└ Withdrawal/abandonment	36	37	23	28	32	29

Utility models	2008	2009	2010	2011	2012	2013
Demands	10	8	3	10	8	4
Final dispositions in Appeals Department						
└ Accepted (including partially invalidated)	10	4	4	4	2	5
└ Not Accepted (including dismissal)	5	2	2	3	3	4
└ Withdrawal/abandonment	2	0	2	1	0	0

Designs	2008	2009	2010	2011	2012	2013
Demands	22	15	20	16	14	20
Final dispositions in Appeals Department						
└ Accepted (including partially invalidated)	12	6	8	11	11	0
└ Not Accepted (including dismissal)	15	8	4	4	7	4
└ Withdrawal/abandonment	6	0	0	2	3	1

Trademarks	2008	2009	2010	2011	2012	2013
Demands	139	140	113	112	118	96
Final dispositions in Appeals Department						
└ Accepted (including partially invalidated)	71	83	36	38	44	37
└ Not Accepted (including dismissal)	87	97	68	57	76	53
└ Withdrawal/abandonment	14	21	14	9	16	10

**(3) Trials for Correction**

Patents	2008	2009	2010	2011	2012	2013
Demands	137	159	135	146	178	238
Final dispositions in Appeals Department						
└ Accepted	53	76	79	84	111	164
└ Not Accepted (including dismissal)	22	24	12	19	16	9
└ Withdrawal/abandonment	59	58	50	42	38	39

Utility models	2008	2009	2010	2011	2012	2013
Demands	2	0	1	1	1	0
Final dispositions in Appeals Department						
└ Accepted	0	0	0	0	0	0
└ Not Accepted (including dismissal)	1	0	1	0	1	0
└ Withdrawal/abandonment	0	1	0	1	0	0

**(4) Trials for Cancellation**

Trademarks	2008	2009	2010	2011	2012	2013
Demands	1,612	1,413	1,380	1,169	1,050	1,190
Final dispositions in Appeals Department						
└ Accepted	1,389	1,313	1,105	1,011	874	812
└ Not Accepted (including dismissal)	232	190	159	155	163	122
└ Withdrawal/abandonment	142	109	123	106	97	123

**(5) Hantei (Advisory Opinion)**

Patents	2008	2009	2010	2011	2012	2013
Demands	31	32	39	34	35	29
Final dispositions in Appeals Department						
└ Accepted	24	11	16	19	12	7
└ Not Accepted (including dismissal)	27	17	16	18	19	14
└ Withdrawal/abandonment	1	1	4	2	1	1

Utility models	2008	2009	2010	2011	2012	2013
Demands	0	1	2	1	0	0
Final dispositions in Appeals Department						
└ Accepted	1	0	0	0	0	0
└ Not Accepted (including dismissal)	0	1	0	3	0	0
└ Withdrawal/abandonment	0	0	0	0	0	0

Designs	2008	2009	2010	2011	2012	2013
Demands	4	10	19	17	15	14
Final dispositions in Appeals Department						
└ Accepted	7	7	6	11	9	7
└ Not Accepted (including dismissal)	8	4	7	2	6	6
└ Withdrawal/abandonment	1	0	0	1	0	2

Trademarks	2008	2009	2010	2011	2012	2013
Demands	12	7	12	4	4	7
Final dispositions in Appeals Department						
└ Accepted	10	7	6	6	1	3
└ Not Accepted (including dismissal)	5	1	5	1	3	3
└ Withdrawal/abandonment	1	1	0	0	0	0

**(6) Oppositions**

Trademarks	2008	2009	2010	2011	2012	2013
<b>Oppositions</b>						
└ Number of rights subjected to opposition	497	473	423	458	394	460
└ Total number of oppositions	513	480	431	465	401	478
<b>Final dispositions in Appeals Department</b>						
└ Decision of revocation (including partially revocation)	72	113	73	66	63	42
└ Decision of maintenance (including dismissal)	409	408	322	421	317	296
└ Withdrawal/abandonment	32	43	47	34	40	46



## Lawsuits against Trial and Appeal Decisions

### (I) Number of Actions against Decision

#### Ex-parte Appeals\*1

	2008	2009	2010	2011	2012	2013
Patents	188	143	179	195	174	147
Designs	9	4	1	5	16	8
Trademarks	28	19	24	34	14	19

#### Inter-partes Trials\*2

	2008	2009	2010	2011	2012	2013
Patents	182	174	153	158	165	119
Utility models	5	2	0	4	2	2
Designs	6	6	2	2	6	0
Trademarks	72	86	50	47	71	52

#### Oppositions

	2008	2009	2010	2011	2012	2013
Patents	1	1	0	0	0	1
Trademarks	3	5	0	4	6	1

(Note)

\*1: They are appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections.

\*2: They are trials for invalidation and trials for cancellation.

**(2) Court Decisions****Ex-parte Appeals\*1**

	2011	2012	2013
<b>Patents</b>			
Demand Dismissal	106	115	104
Cancellation of Appeal and Trial Decisions	27	37	35
<b>Designs</b>			
Demand Dismissal	2	9	2
Cancellation of Appeal and Trial Decisions	1	7	0
<b>Trademarks</b>			
Demand Dismissal	9	13	16
Cancellation of Appeal and Trial Decisions	12	7	1

**Inter-partes Trials\*2**

	2011	2012	2013
<b>Patents • Utility models</b>			
Demand Dismissal	75	74	76
Cancellation of Appeal and Trial Decisions	26	31	28
<b>Designs</b>			
Demand Dismissal	3	0	1
Cancellation of Appeal and Trial Decisions	0	0	0
<b>Trademarks</b>			
Demand Dismissal	22	33	37
Cancellation of Appeal and Trial Decisions	5	19	15

**Oppositions**

	2011	2012	2013
<b>Patents</b>			
Demand Dismissal	0	0	0
Cancellation of Appeal and Trial Decisions	0	0	0
<b>Trademarks</b>			
Demand Dismissal	0	6	1
Cancellation of Appeal and Trial Decisions	0	1	0

(Note)

The table does not include court rulings to rescind JPO Trial and Appeal Department decisions defined in Article 181(2) of the Patent Act and those to rescind JPO Trial and Appeal Department decisions because corrections became conclusive and final during lawsuits.

\*1: They are appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections.

\*2: They are trials for invalidation and trials for cancellation.



### (3) Number of Filing of Final Appeals and Petitions for Acceptance of Final Appeals in 2013

	Ex-parte Appeals <sup>*1</sup>	Inter-partes Trials <sup>*2</sup>	Oppositions <sup>*3</sup>
Filing of Final Appeals	16	40	2
Petitions for Acceptance of Final Appeals	25	59	2

(Note)

\*1: They are the total number of patent, utility model, design and trademark appeals; and are appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections.

\*2: They are the total number of patent, utility model, design and trademark trials; and are trials for invalidation and trials for cancellation.

\*3: They are the total number of patent, utility model and trademark oppositions

### (4) Results of Filing of Final Appeals and Petitions for Acceptance of Final Appeals in 2013

	Ex-parte Appeals <sup>*1</sup>	Inter-partes Trials <sup>*2</sup>	Oppositions <sup>*3</sup>
Filing of Final Appeals			
- Final Appeals Dismissed	14	18	3
- Final Appeals Rejected	2	0	0
- Original Decisions Reversed	0	0	0
Petitions for Acceptance of Final Appeals			
- Final Appeals Dismissed	0	0	0
- Final Appeals Rejected	17	46	3
- Original Decisions Reversed	0	0	0

(Note)

\*1: They are the total number of patent, utility model, design and trademark appeals; and are appeals against examiners' decisions of refusal, appeals against examiners' rulings to dismiss amendments, and trials for corrections.

\*2: They are the total number of patent, utility model, design and trademark trials; and are trials for invalidation and trials for cancellation.

\*3: They are the total number of patent, utility model and trademark oppositions

## Statistical Tables regarding Existing Rights

## (1) Table of Existing Rights Possessed by Japanese and Foreigners

Patents	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Existing Rights Possessed by Japanese (%)	996,417	1,015,183	1,036,868	1,086,802	1,136,566	1,199,184	1,255,489	1,346,804	1,464,176	1,570,897
Number of Existing Rights Possessed by Foreigners (%)	90.20%	90.40%	90.40%	90.10%	89.50%	89.00%	88.20%	87.30%	86.40%	85.50%
Number of Existing Rights Possessed by Foreigners (%)	108,223	107,872	110,003	119,533	133,801	148,814	167,943	195,292	230,259	267,280
Number of Existing Rights Possessed by Foreigners (%)	9.80%	9.60%	9.60%	9.90%	10.50%	11.00%	11.80%	12.70%	13.60%	14.50%
Total Number of Existing Rights	1,104,640	1,123,055	1,146,871	1,206,335	1,270,367	1,347,998	1,423,432	1,542,096	1,694,435	1,838,177

Utility models	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Existing Rights Possessed by Japanese (%)	97,890	73,735	56,106	44,296	35,409	35,314	35,601	35,687	36,841	37,654
Number of Existing Rights Possessed by Japanese (%)	92.00%	89.30%	86.20%	83.00%	79.70%	80.40%	80.20%	79.90%	79.30%	78.80%
Number of Existing Rights Possessed by Foreigners (%)	8,568	8,829	8,977	9,100	9,037	8,636	8,775	8,961	9,639	10,160
Number of Existing Rights Possessed by Foreigners (%)	8.00%	10.70%	13.80%	17.00%	20.30%	19.60%	19.80%	20.10%	20.70%	21.20%
Total Number of Existing Rights	106,458	82,564	65,083	53,396	44,446	43,950	44,376	44,648	46,480	47,814

Designs	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Existing Rights Possessed by Japanese (%)	237,504	240,997	242,090	240,737	238,136	238,473	231,861	225,402	226,483	226,939
Number of Existing Rights Possessed by Japanese (%)	94.80%	94.50%	94.10%	93.50%	92.70%	92.30%	91.90%	91.60%	91.00%	90.30%
Number of Existing Rights Possessed by Foreigners (%)	12,965	14,056	15,237	16,828	18,687	19,798	20,369	20,713	22,339	24,304
Number of Existing Rights Possessed by Foreigners (%)	5.20%	5.50%	5.90%	6.50%	7.30%	7.70%	8.10%	8.40%	9.00%	9.70%
Total Number of Existing Rights	250,469	255,053	257,327	257,565	256,823	258,271	252,230	246,115	248,822	251,243

Trademarks	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Existing Rights Possessed by Japanese (%)	1,543,451	1,550,537	1,557,651	1,525,765	1,475,855	1,474,062	1,475,649	1,480,363	1,492,366	1,497,283
Number of Existing Rights Possessed by Japanese (%)	86.80%	86.50%	86.10%	85.60%	85.40%	84.60%	84.20%	84.00%	83.70%	83.40%
Number of Existing Rights Possessed by Foreigners (%)	234,007	241,171	250,525	257,461	251,812	268,769	276,205	281,000	289,803	298,687
Number of Existing Rights Possessed by Foreigners (%)	13.20%	13.50%	13.90%	14.40%	14.60%	15.40%	15.80%	16.00%	16.30%	16.60%
Total Number of Existing Rights	1,777,458	1,791,708	1,808,176	1,783,226	1,727,667	1,742,831	1,751,854	1,761,363	1,782,169	1,795,970

(Note)

International applications for trademark registration are include in the above figures from 2000.

Total	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Existing Rights Possessed by Japanese (%)	2,875,262	2,880,452	2,892,715	2,897,600	2,885,966	2,947,033	2,998,600	3,088,256	3,219,866	3,332,773
Number of Existing Rights Possessed by Japanese (%)	88.80%	88.60%	88.30%	87.80%	87.50%	86.90%	86.40%	85.90%	85.40%	84.70%
Number of Existing Rights Possessed by Foreigners (%)	363,763	371,928	384,742	402,922	413,337	446,017	473,292	505,966	552,040	600,431
Number of Existing Rights Possessed by Foreigners (%)	11.20%	11.40%	11.70%	12.20%	12.50%	13.10%	13.60%	14.10%	14.60%	15.30%
Total Number of Existing Rights	3,239,025	3,252,380	3,277,457	3,300,522	3,299,303	3,393,050	3,471,892	3,594,222	3,771,906	3,933,204



## (2) Existing Rates

Patents																					
Years from Registration		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Patents	1000	1000	1000	1000	961	86.7	81.5	75.3	66.9	60.2	52.1	41.5	30.6	20.7	15.7	11.7	6.2	3.0	0.6	0.0	0.0
Utility Model	99.7	99.5	99.2	88.5	54.3	46.2	38.5	28.3	25.5	-	-	-	-	-	-	-	-	-	-	-	-
Designs	1000	99.2	95.7	88.6	74.3	66.0	58.2	51.2	45.7	42.3	36.3	30.2	25.1	22.5	18.8	-	-	-	-	-	-

(Note)

- The above figures are as of the end of 2013.
- Existing rates of utility model are for those applicable to New Utility Model Act Amendment Put into Effect in 2005.
- An existing rate is equal to the number of existing rights divided by the number of registration.
- Each symbol of “-” in the table shows that the corresponding number of registered is zero.

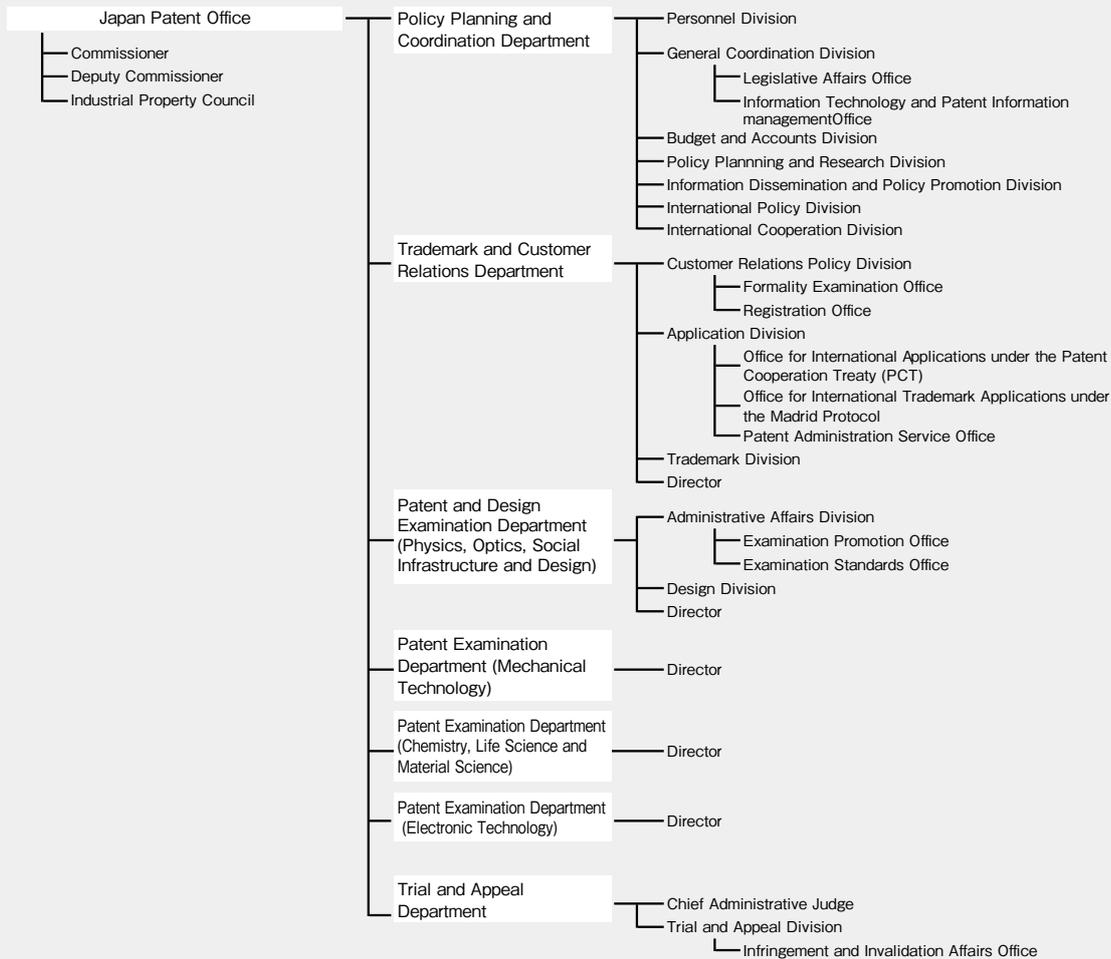
## (3) Table of Numbers of Existing Patent Rights According to Years When Applications Were Filed

Patents																						
Year of Application		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Number of Patents Possessed by Japanese	30	29,939	38,018	46,914	53,328	62,558	72,045	78,698	89,279	98,949	106,407	114,078	124,165	130,730	124,240	107,253	69,066	26,229	13,737	6,344	1,775	
Number of Patents Possessed by Foreigners	32	4,412	5,639	7,153	8,508	10,110	12,134	13,461	14,897	15,515	18,610	21,181	23,625	23,963	20,454	12,958	6,358	2,817	1,066	203	35	
Total Number of Patents	62	34,351	43,657	54,067	61,836	72,668	84,179	92,159	104,176	114,464	125,017	135,259	147,790	154,693	144,694	120,211	75,424	29,046	14,803	6,547	1,810	

(Note)

- “Year When Applications Were Filed” means the year when those applications were filed or the year when their priorities were claimed.
- The “Number of Patents Possessed by Japanese” means the number of existing patent rights whose first applicants are Japanese.
- The “Number of Patents Possessed by Foreigners” means the number of existing patent rights whose first applicants are other than Japanese.
- The existing patent rights that were filed between January 1, 1992 and December 31, 2012 and registered by December 31, 2012 were counted.
- The figures are as of February 17, 2014.

### Organization of the JPO (as of April, 2014)



### Regular Staff

	FY2010	FY2011	FY2012	FY2013	FY2014
Total number of staff	2,903	2,895	2,880	2,852	2,837
Examiners and Administrative judges	2,291	2,297	2,298	2,285	2,280
Examiners	1,904	1,910	1,911	1,898	1,893
Patent/Utility model examiners	1,703	1,711	1,713	1,701	1,702
Design examiners	52	51	51	51	49
Trademark examiners	149	148	147	146	142
Administrative patent/design/trademark judges	387	387	387	387	387
Clerical staff	612	598	582	567	557



## Budgets

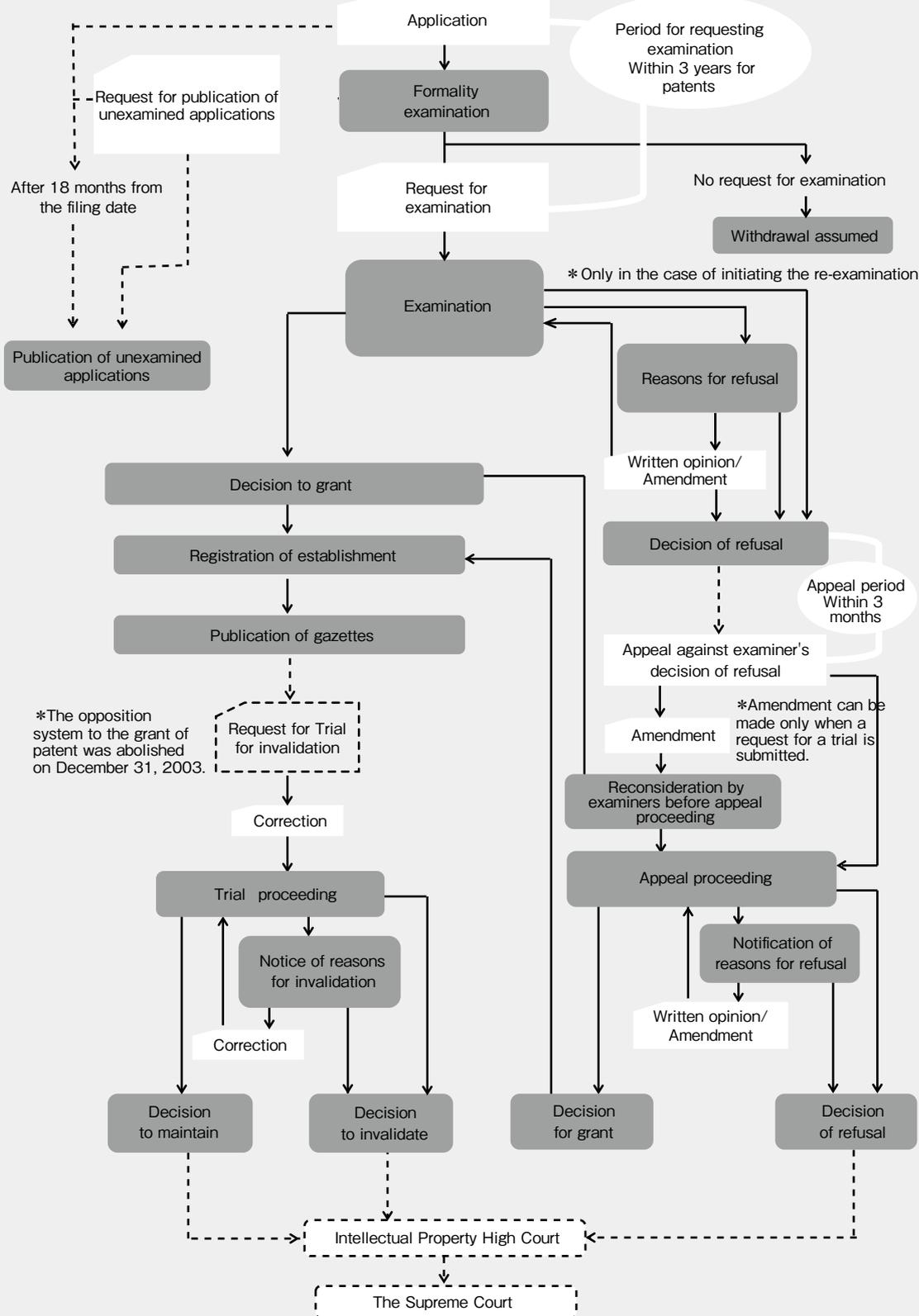
### (1) Revenues

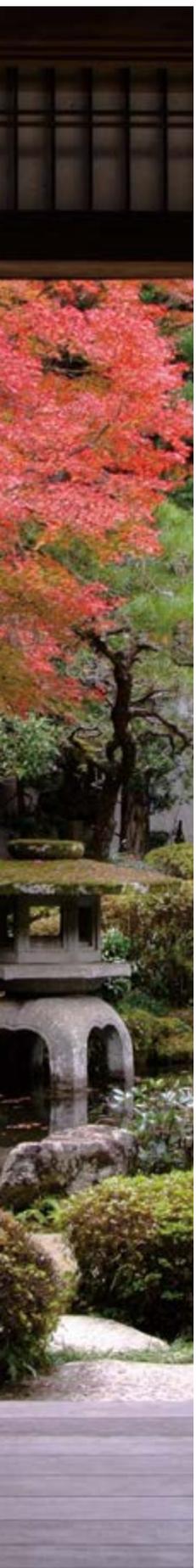
Item	Thousand yen	
	FY2013	FY2014
Fees (Application, Request for Examination, Registration, etc)	105,803,806	106,900,362
Stamp Revenues (Patent Revenue Stamp)	87,620,586	85,731,409
Fees (Patent revenue stamps are not included.)	18,183,220	21,168,953
Transfer from General Account	15,851	17,149
Other Revenues	1,757,715	1,798,815
Surplus from Previous Year	200,303,255	204,391,283
Total	307,880,627	313,107,609

### (2) Expenditures

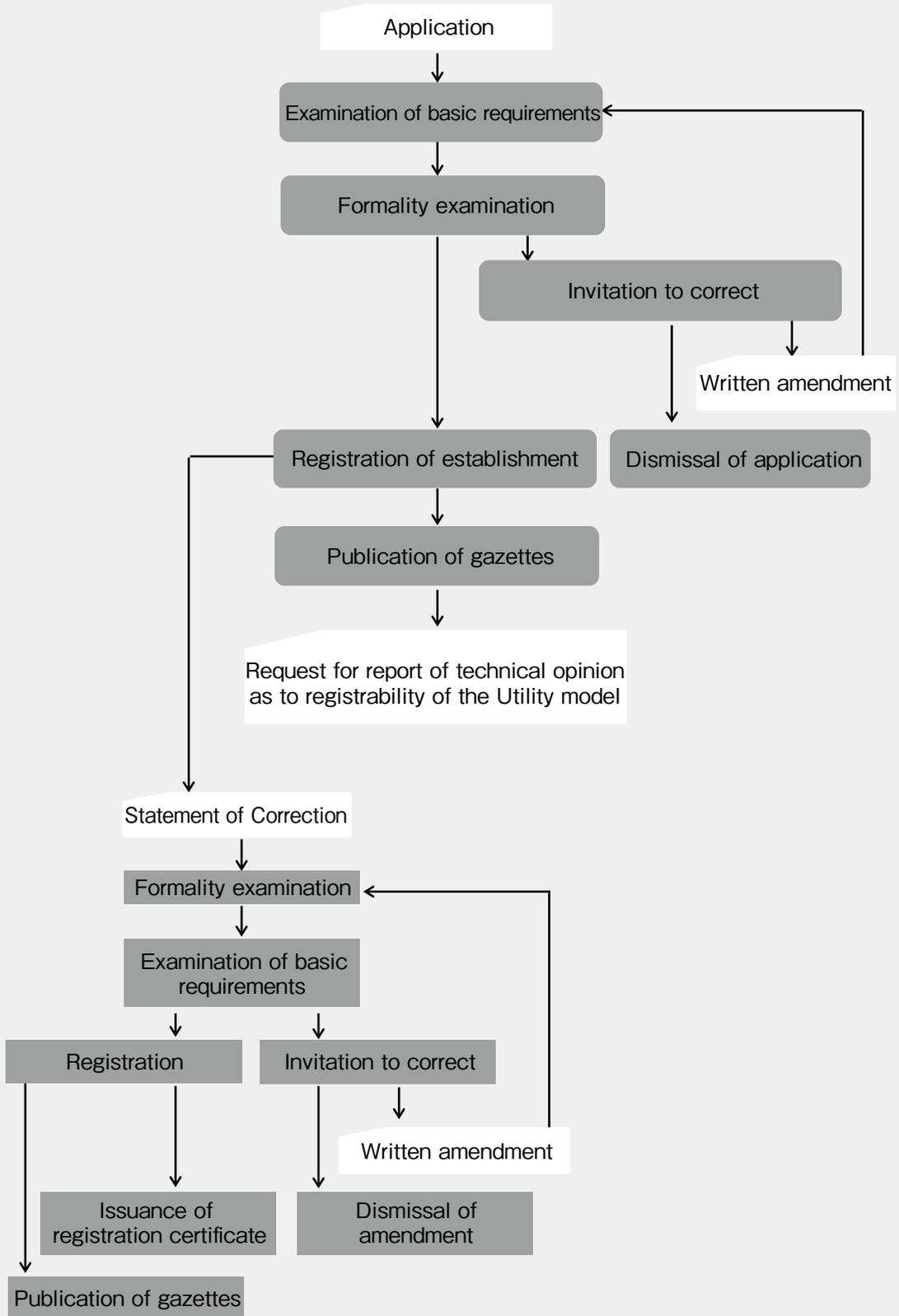
Item	Thousand yen	
	FY2013	FY2014
Operating Expenses for the INPIT	9,311,869	9,484,527
Clerical Expenses (Ordinary)	41,604,185	44,614,540
Expenses for Patent Gazette Publication	262,248	270,513
Clerical Expenses on Examination and Trial/Appeal Examination	27,684,511	30,848,004
Expenses for Reference Data Maintenance	10,997,917	14,281,539
Necessary Expenses for Patent Process Computerization	24,218,658	26,037,844
Expenses for Facility Improvement	547,557	326,635
Reserves	200,000	200,000
Total	114,826,945	126,063,602

### Examination and Appeal/Trial Examination Flowchart (I) Patent

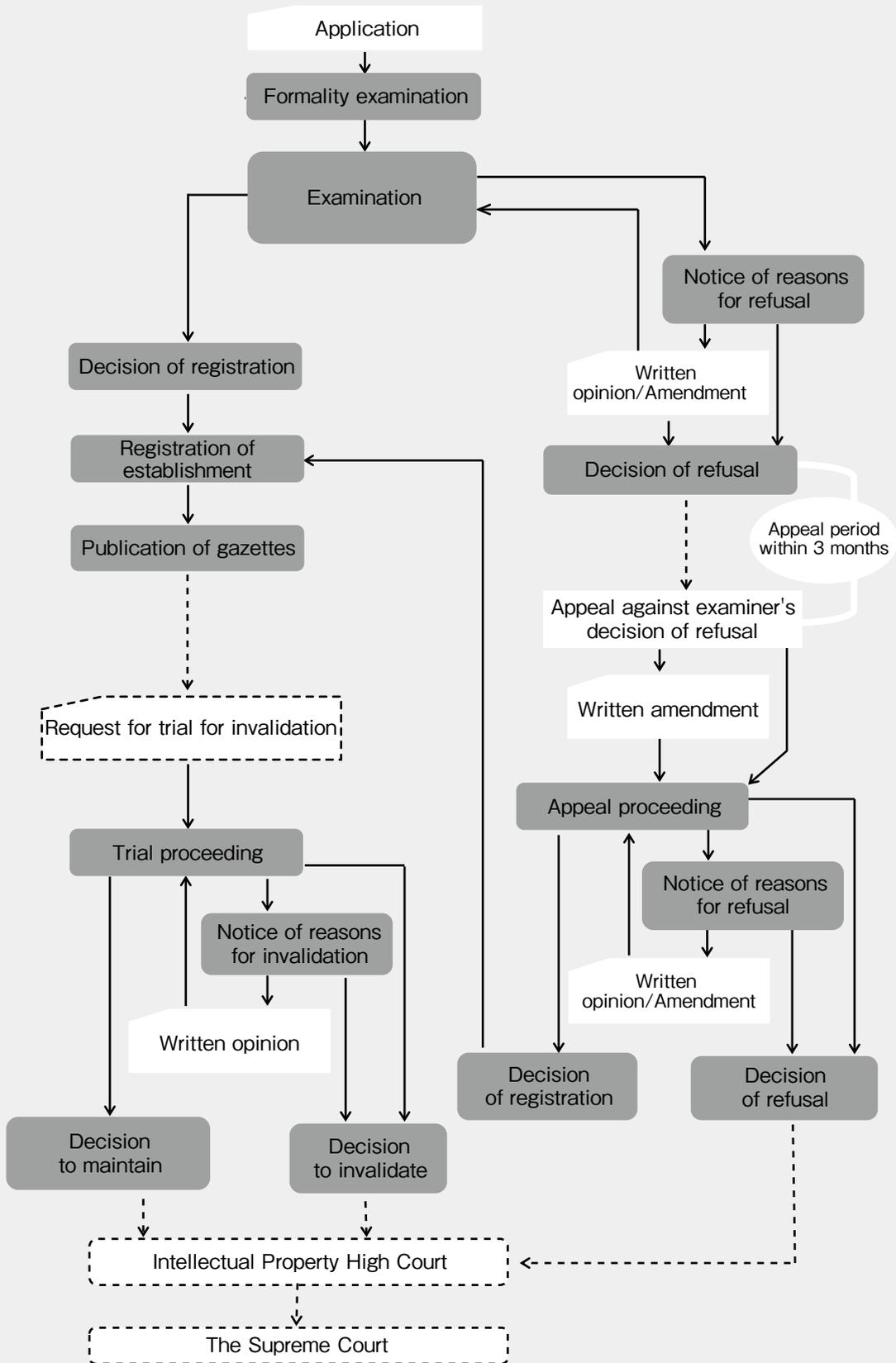




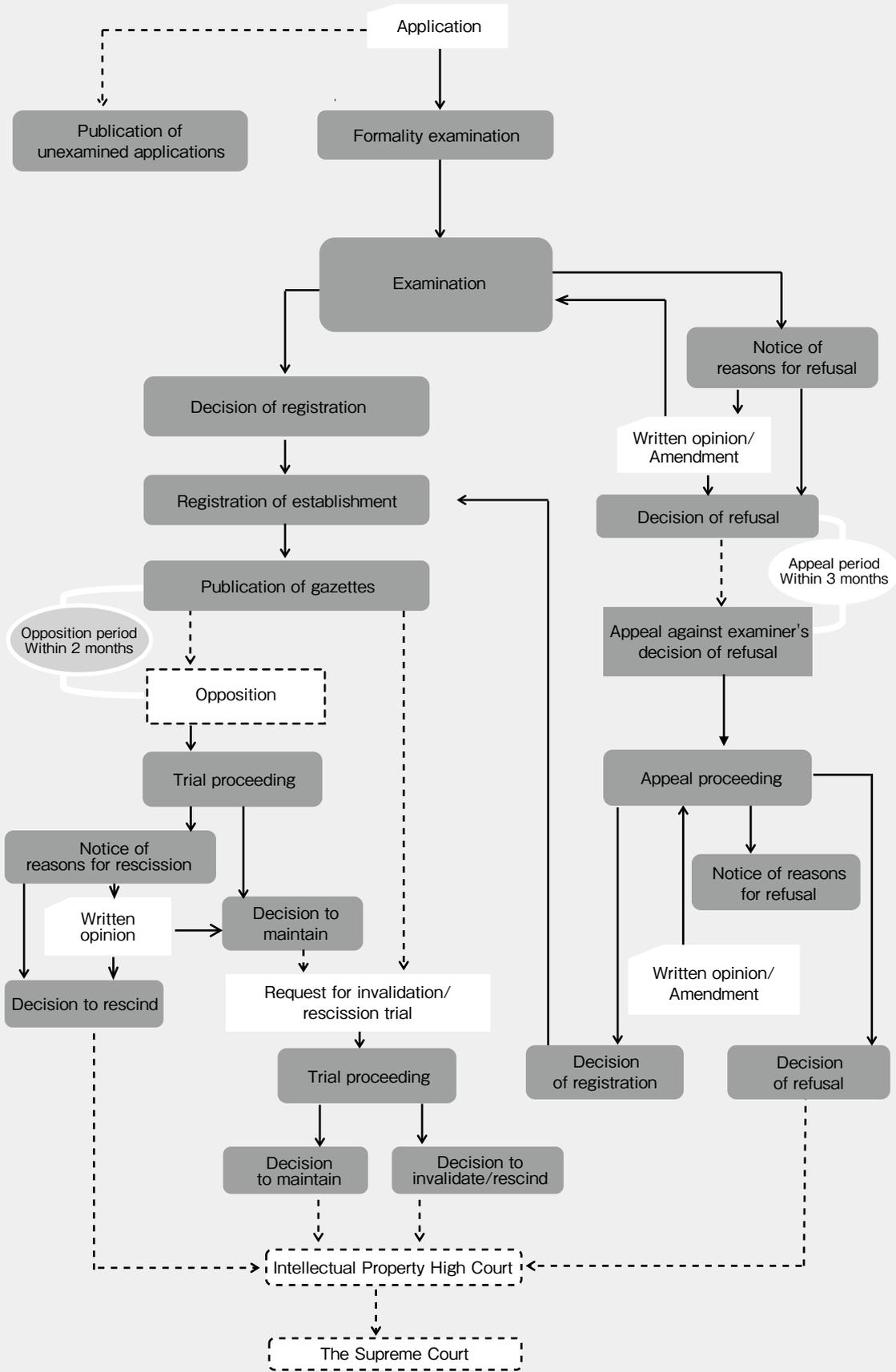
(2) Utility model (under New Law)



(3) Design



(4) Trademark



## 1. Application

Patents		
— Patent application	...	¥15,000
— Application in foreign language	...	¥24,000
— Entry into the national phase in Japan (under the PCT)	...	¥15,000
— Application for registration of an extension of the term of patent right	...	¥74,000
Utility Models (Note: Applicants are required to pay registration fees for the 1st-3rd years in a lump sum at the time of filing)		
— Utility Model application	...	¥14,000
— Entry into the national phase in Japan (under the PCT)	...	¥14,000
Designs		
— Design application	...	¥16,000
— Request for secret design	...	¥5,100
Trademarks		
— Trademark application	...	¥3,400 + ¥8,600 per classification
— Defensive mark application	...	¥6,800 + ¥17,200 per classification

## 2. Request for Examination for Patents

Request for examination	...	¥118,000 + ¥4,000 per claim
— where the international search report has been established by the JPO (under the PCT);	...	¥71,000 + ¥2,400 per claim
— where the international search report has been established by an international Searching Authority other than the JPO (under the PCT);	...	¥106,000 + ¥3,600 per claim
— where the search report has been established by a designated Searching organization	...	¥94,000 + ¥3,200 per claim

## 3. Request for Report of Utility Model Technical Opinion

Request for Report	...	¥42,000 + ¥1,000 per claim
— where the international search report has been established by the JPO (under the PCT)	...	¥8,400 + ¥200 per claim
— where the international search report has been established by an International Searching Authority other than the JPO (under the PCT)	...	¥33,600 + ¥800 per claim

## 4. Annual fee / Registration fee

Patents		
└ 1-3rd year: annually,	...	¥2,300 + ¥200 per claim
└ 4-6th year: annually,	...	¥7,100 + ¥500 per claim
└ 7-9th year: annually,	...	¥21,400 + ¥1,700 per claim
└ 10-25th year: annually,	...	¥61,600 + ¥4,800 per claim
Utility Models		
└ 1-3rd year: annually,	...	¥2,100 + ¥100 per claim
└ 4-6th year: annually,	...	¥6,100 + ¥300 per claim
└ 7-10th year: annually,	...	¥18,100 + ¥900 per claim
Designs		
└ 1-3rd year: annually,	...	¥8,500
└ 4-20th year: annually,	...	¥16,900
Trademarks		
└ Registration fee	...	¥37,600 per classification
└ └ Payment of registration fee by installments	...	¥21,900 per classification
└ Renewal fee	...	¥48,500 per classification
└ └ Payment of renewal fee by installments	...	¥28,300 per classification
└ Defensive mark registration fee	...	¥37,600 per classification
└ Defensive mark renewal fee	...	¥41,800 per classification

## 5. Request for Trial

Patents	...	¥49,500 + ¥5,500 per claim
Utility Models	...	¥49,500 + ¥5,500 per claim
Designs	...	¥55,000
Trademarks	...	¥15,000 + ¥40,000 per classification

## 6. After Registration

Registration of transfer of right:		
└ Patents	...	¥15,000
└ Utility models	...	¥9,000
└ Designs	...	¥9,000
└ Trademarks	...	¥30,000
└ General successions (inheritance, etc)	...	¥3,000
Change in the name of owner (excluding transfer)	...	¥1,000

## 7. Others

Change in the name of applicant	...	¥4,200
Fee for converting applications etc. in paper in to electronic format	...	¥1,200 + ¥700 per sheet

Note: Our Office does not accept payment by any means from overseas residents, including payment by bank account transfer, credit card or check.

The payment has to be made by a representative (e.g., patent attorney) in Japan.



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