

JAPAN

New patent opposition system

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In Japan, the law provides several means to challenge the validity of patents, such as a trial for patent invalidation, an invalidity defence in an infringement litigation and an offer of information. The Patent Act 2014 amendment introduced a new option: the post-grant opposition system.

Background

Japan had an opposition system before. However it was abolished in 2003 and was integrated into the trial for patent invalidation. Thereafter, the following problems were pointed out. The trial for patent invalidation does not fully address the demand for opposition because of the heavy burden to prepare for the hearing. It is difficult for the JPO to grant patent rights perfectly given the demand for fast procedure and a high necessity arose to secure strong and stable patents by utilizing third-party information. Some companies chose not to file trial for patent invalidation and preserved prior art for future disputes. Accordingly, patents with possible defects were enforced which is socially undesirable.

Given this situation, a new opposition system improving the previous one was introduced to review granted patents within a certain period after grant. The Patent Act 2014 amendment will come into effect within one year from May 14 2014. Patents which are published after that date in the patent gazette will be a subject to the new opposition system.

Characteristics of opposition

While the primary purpose of a trial for patent invalidation is to resolve disputes between parties, that of an opposition is to enhance the reliability of patents by reviewing defective patents in the early

(Before legal revisions)

(May request at any time)

- Any person may request
- Oral proceedings or documentary proceedings

Trial system for invalidation

(After legal revisions)

(within 6-month period)

(May request at any time)

Opposition system for granted patents

- Any person may file an opposition
- Documentary proceedings only

- Only interested parties may request
- Oral or documentary proceedings

Source: JPO

stage (that is, public examination). That means there are several important differences:

- Anybody may file an opposition. By contrast, standing for trial for invalidation is limited to interested parties although it was unlimited before 2014.
- The cost of filing an opposition is cheaper than that of trial for invalidation.
- An opposition shall be filed within six months of the publication of the patent gazette.
- Grounds for opposition are limited to those regarding public interest including lack of novelty or inventive step, addition of new matter, insufficient disclosure, violation of prior application, and unpatentable inventions. Others such as usurpation and violation of a joint-filing requirement are not included.
- An opposition will be conducted only by documentary proceedings, not by oral proceedings.
- Patentees may file a request for a correction in the opposition proceedings within the period a trial examiner designates as the period of submission of a written opinion to the notice of the grounds for revocation. If patentees file a request for a correction, the opposing party has the opportunity to submit a written opinion, which is a significant difference from opposition before 2003.
- If a patent is cancelled by the JPO, patentees may appeal to the IP High Court seeking rescission of the JPO's decision but if the opposition is not accepted the opposing party cannot appeal to the IP High Court.

Practical tips

The opposition system has been adopted by western patent systems including in the EPO and Germany and the post-grant review in the United States, which was introduced by the America Invents Act in 2011. Japan is introducing a new opposition system to improve the reliability of patents and patent stability.

However, the new opposition system has a significant difference from those in Germany and the United States in that the opposing party cannot appeal to the IP High Court if the opposition is not accepted. Therefore, for those who have a significant interest in the registered patent and desire to challenge the validity of the patent anticipating a possible infringement lawsuit, a trial for patent invalidation will be a better option although time and expense are incurred.

On the other hand, for those who have fewer interests in the registered patent at present and desire to invalidate defective patents considering their future business strategy, an opposition should be utilized as a trial for patent invalidation cannot be filed due to limited standing. The demand for opposition may vary by industry: demand may not be high in the pharmaceutical industry whereas it may be high in the electrical industry.

Opposition may increase the patentee's burden because of more disputes over validity of patents, especially during the six months from the publication in the patent gazette. However, patentees may enjoy some advantages. Since standing for trial for patent invalidation is limited to interested parties, the number of trials

for patent invalidation they face will be decreased. Patentees could review the scope of claims earlier and build up stronger patents once they survive.

The opposition system marks a new era for patent invalidity disputes in Japan.