

## JAPAN

## Reviewing the JPO's Hantei (Advisory Opinion) for Essentiality Check

Abe &amp; Partners



Takanori Abe

### Background

The recent dissemination of the internet of things (IoT) has led to a rapid development of the Fourth Industrial Revolution, which has greatly affected the environment surrounding standard essential patents (SEPs).

Under these circumstances, the report made by the Patent System Subcommittee of the Intellectual Property Committee under the Industrial Structure Council in 2017, states that “if the JPO makes and publicises a determination as to whether the virtual subject article specified from standard documents falls within the technical scope of a patent right, it would increase the predictability and transparency with regard to whether the disputed patent is essential to the standard. Thus, when filing a request for Hantei (advisory opinion) of the JPO under the Patent Act Article 71, a request for Hantei for an essentiality check on a patented invention should be allowed.”

In its response, the JPO publicised the ‘Manual of ‘Hantei’ (advisory opinion) for an essentiality check’ (manual, Hantei-E), which commenced on April 1 2018. The content of the manual was revised and the operation based on the revised manual commenced on July 1 2019.

### Requesting an advisory opinion

Hantei-E, based on the operation, can be used in the cases where the parties concerned who obviously have conflict of views in the standard essentiality of the patented invention become a demandant and a demandee, in licensing negotiations. When there is no conflict of

Figure 2: Essentiality check utilizing the “Hantei” (Advisory Opinion) System

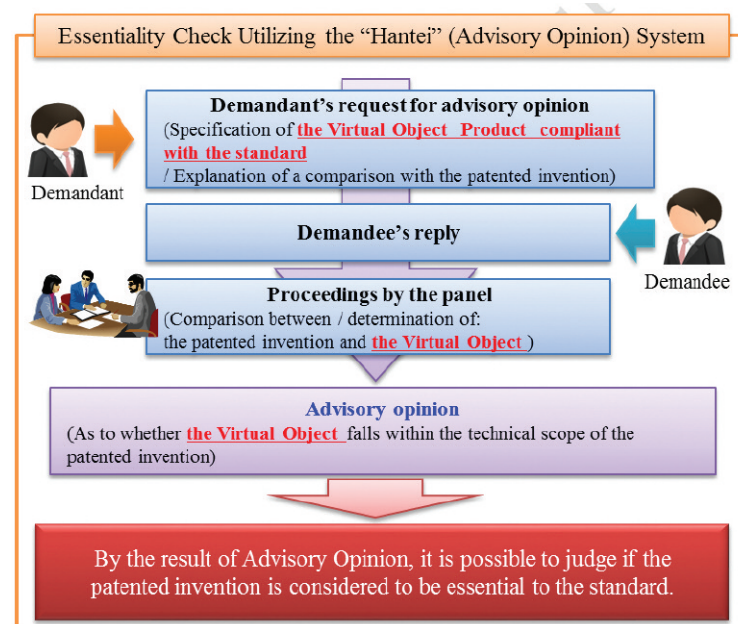
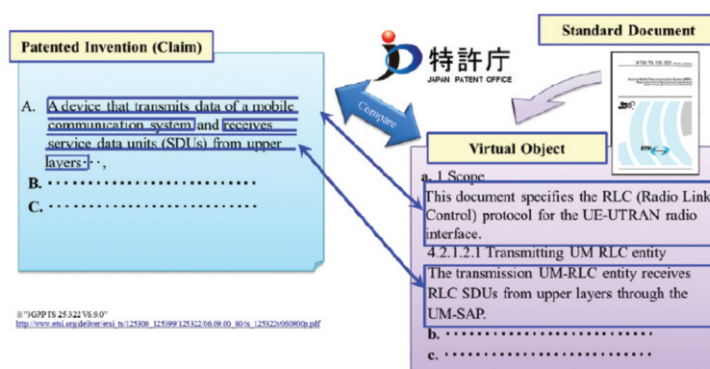


Figure 3: Virtual Object



Source: JPO ‘Manual of “Hantei” (Advisory Opinion) for Essentiality Check (Revised Version)

views (e.g. cases without an opposing party), the operation cannot be used.

### Identification of a virtual object

A) When a request for Hantei-E is filed with the purport that a virtual object falls within the technical scope of the patented invention

Hantei-E must be directed to a virtual object product (‘virtual object’ or ‘virtual object which is compliant with the standard’), and the configuration must be concretely specified to correspond to the constituent

configurations of the patented invention, for which the request is filed, from the indispensable configurations for the standard documents (Figure 3).

In principle, the standards subject to the operation shall be limited to those standard documents that are set, as technical specifications with which the products should be complied, by a single entity, such as a standard setting organisation (SSO) establishing the standards; and that can be submitted to the JPO as evidence (an entity establishing the standards includes a standard establishing project participated by a

group of companies, but excludes *de facto* standards or mere product specifications established by a single company). It is not allowed to specify a virtual object across multiple standard documents from multiple SSOs in principle, because it remains unclear as to which standards essentiality check must conform to.

Configurations indispensable for the standard documents, which can be used to specify a virtual object in the operation, are as follows:

- 1) A configuration (unconditionally) essential in the standard document
- 2) A configuration among configurations other than (1) essential when it is necessary to select any of the multiple configurations and such selection involves a specific configuration in the standard document

‘Configuration essential’ in (1) and (2) above includes configurations that are self-evidently technically essential, although the standard document does not explicitly describe them, that can be proven to be so, or configurations that are self-evidently technically essential, although the standard document describes them but does not specify them as essential, that can be proven to be so.

**B) When a request for Hantei-E is filed with the purport that the virtual object does not fall within the technical scope of the patented invention**

In addition to above (A), the virtual object must be specified only from the standard document’s statement cited to show the correspondence with the claims of the subject patent in the claim chart sent from the opposing party (demandee) of the licensing negotiation to the demandant.

In general, even if one virtual object does not fall within the technical scope of the patented invention, it does not necessarily mean that “the patented invention should not be essential to the standards.” How-

ever, when the opposing party (demandee) sends a claim chart to the demandant as a ground for claiming that the patented invention is essential to the standards, the standard document’s statement cited to indicate correspondence with the claims of the subject patent in the claim chart is considered as the standard document’s most appropriate part for the opposing party (demandee) to request an essentiality check of the present patented invention.

Even for the demandant, if the statement is considered as the most appropriate for the present patented invention’s essentiality check, resolving conflict of views between the parties concerned over the essentiality is possible by determining that the present patent is not essential to the standard, so long as it is determined that virtual object, as specified only from the statement, does not fall within the technical scope of the patented invention.

**Practical tips**

Hantei-E is an administrative service without any legally binding effect. It is characterised by the following features: hearings by three trial examiners with highly specialised technical knowledge, determination from a fair, neutral perspective, quick resolution (three months at shortest), and inexpensive fees of ¥40,000 (\$370) per request. Hantei-E opinions will be made available to the public.

As of March 2019, the JPO has not received any requests for Hantei-E. This is in stark contrast with the conventional Hantei advisory opinion, for which 50 to 100 requests are received every year.

The staff of the JPO answered to the European Commission the likely cause as follows: the procedure cannot be initiated by a party that believes a patent is non-essential, parties may be reluctant to have information becoming public, and parties may also have entered into a non-disclosure agreement (NDA) which does not allow them to disclose such information (‘Pilot study

for essentiality assessment of standard essential patents’ by the Publications Office of the European Union (April 3 2020)).

In July 2019, the JPO published a revised version of its document describing the system, and changes were made to Hantei-E to allow a party who believes a patent is non-essential to initiate the system and to maintain confidentiality. However, as of December 31 2020, the system has not been used at all.

The likely cause may be as follows: SEP holders will not be motivated to use Hantei-E unless the dispute is limited only to the essentiality. Implementers may be motivated to use Hantei-E because they may enjoy advantage in the negotiation as long as they can deny essentiality. However, SEP holders may sue implementers immediately once implementers use Hantei-E, and implementers have a great fear to awaken a sleeping dog.

On March 29 2021, the Japan Automobile Manufacturers Association gave a presentation at Cabinet IP Committee and stated most of the declared patents (50% to 90%) are non-essential.