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**Industrial Design Invalidity: A Comparative Study between
Malaysian and Japanese Trial and Appeal System**

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Abstract

Invalidation proceeding may take place at the Intellectual Property Office and the Intellectual Property High Court based on the roles of each jurisdiction. In Japan, there is a clear distinction between the role of invalidation proceeding at the Japan Patent Office (JPO) that is; to determine the dispute over the validity of a registered design and the invalidation lawsuits at Intellectual Property High Courts is to revise the decision made by JPO's Appeal and Trial Board. In Malaysia, the dispute over the validity of a registered design is known as proceeding for revocation or rectification. The terms reflected based on the grounds on which the registered design is in dispute. Most of the request for revocation or rectification in Malaysia is brought before the IP High Court instead of IP Office; even though there are provisions under Malaysia Industrial Design Law that gives power to the Registrar to hear the dispute over validity of a registered design.

The advantages of implementing invalidity procedure at the IP office undoubtedly giving more benefits not only to the parties in dispute, but also to the design examiners as well as the IP Office itself. This paper outlined in details the specific differences of invalidation proceeding in both IP Office and IP High Court by making comparison between design invalidation practice in Malaysia and Japan. Besides, proposed the appropriate procedures towards implementation and improvements of invalidation proceeding at Malaysia IP Office.

Keywords: industrial design, invalidation, trial and appeal procedure, intellectual property high court, revocation, rectification.

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List of Abbreviations

ID	-Industrial Design
INPIT	-National Center of Industrial Property Information and Training
IP	- Intellectual Property
IT	-Information Technology
JPO	-Japan Patent Office
OEPA	-Ordinance for Enforcement of the Patent Act

Chapter 1

Introduction

1.1 Statement of Problems

It is generally understood that the invalidation proceeding is seeks to determine the dispute over the validity of a registered design. Where an industrial design registration falls under any of unregistrable requirements, any person or aggrieved person may file the application to request such registered industrial design to be invalidated. The request could be done through invalidation proceeding at IP Office or through IP lawsuits. Some countries practicing invalidation proceeding at IP Office prior to lawsuits, and some countries like Malaysia currently practice that any application for invalidation of registered industrial design to be decided by IP lawsuits straight away.

The purpose of this paper is to study industrial design invalidation in Japan by analyzing the different between trial and appeal systems at the IP office and IP High Court. The study also will identify the usability of the invalidation systems at Malaysia IP Office and to determine the appropriate standards to be adopted. This will be done by conducting a comparative study to compare industrial design invalidation proceeding from Japanese Design Law perspective and current operations. It is assumed that Japanese invalidation system is conducting in more stringent manner and higher level in order to ensure the fair trial to the parties.

Whilst a comparison of standard adopted by Malaysia and Japan, this will enable a deeper understanding on how invalidation of such registered industrial design took place by IP court and is there any relations of the decision made between IP Office and IP lawsuit. Therefore, the study may have revealed the best system that could incorporate the Japanese way in administering the invalidation proceeding into Malaysia IP office.

1.2 Aims and Objectives of the Study

The primary objective of this study are as follows:

- i. To understand the procedures of industrial design invalidation system in Japan and in Malaysia;
- ii. To analyze the limitations of current system in Malaysia and propose the appropriate invalidation procedure to be adopted by Malaysian IP Office based on Japanese experience;
- iii. To identify the relations between invalidation trial and appeal systems conducted by IP office and IP lawsuits by making comparison between Malaysian and Japanese systems.

1.3 Expected Findings

This study will enable the understanding towards the invalidation proceeding adopted by Japanese system. Besides, the comparison with regards to the invalidation systems in both countries, it is expected that both systems to be vary to certain extent. In addition to this, the comparative approach adopted will reveal the differences and therefore will open the room for improvements on the current practice adopted by Malaysian IP Office.

This study will address the current problems and limitations in relation to invalidation proceeding at Malaysian IP Office level. As currently the invalidation proceeding is only handle by IP lawsuits, it is expected that the findings of this study may assist relevant parties in addressing the problems. Thus, to recommend invalidity proceeding to be implemented before the Malaysia's IP Office based on Japanese experience.

This study also expected to improve current legislation and introduce the appropriate guidelines as well as appointing relevant invalidation examiners so that it will be more practical and systematic practice for Malaysia to implement invalidation proceeding at the IP Office.

Chapter 2

Basic information

2.1 Current Practice in the National Office

In the world, one of the main requirements for the design to be protected is that the registrable design must be new. Invalidation proceeding at the IP Office normally practice by country who only examines on formality requirements without looking into substantive matters. Whether or not such countries practicing substantive examination by doing thorough search on the novelty aspect by the examiners, the potential is always there of an asserted design rights to be challenged through invalidity proceeding. Invalidation proceedings are where someone tries to prove that a subject design should not have been registered after the subject design is registered.

2.1.1 Background of design registration system in Japan

In Japan, the design can be protected if it fulfills the requirements under the Design Law. Article 2-1 of the Japan Design Law stipulates, that a design means shape, patterns and colors, or any combination thereof of an article, including a portion of the article, which creates “an aesthetic impression through the eye”, i.e. visual aesthetic impression. The Paris Convention priority system as stated under Article 4A applies for Japanese design whereby the applicant is required to be filed within 6 months of the first and earliest effective priority date of a foreign application. A Japanese design patent gives total maximum protection for 20 years from the registration date as mentioned under Article 21(1) [*Japan Design Act*, 2016].

Applying the rule of one application one designs, design in Japan are classified under their own unique design classification. Apart of partial design, Japan also apply another concept known as Related Design Registration, Article 10 [*Japan Design Act*, 2016] by allowing the applicant to file multiple similar design applications simultaneously or before a prior principal design is not published. The prior design or one design selected can be registered as a Principal Design and other designs can also be registered as a Related Designs to that Principal Design.

A design needs to satisfy the requirements as mentioned under the Design Law, i.e., Articles 17 and 18 [*Japan Design Act*, 2016].it must be a form or configuration of an article which is a tangible article that can be distributed and sold in the market. In case of a two-dimensional figure without shape of a product or image such as a graphic symbol may not be the subject of a design registration in Japan unless it claimed under partial

design where the display on which the graphic image is appeared is shown in a dotted line and where it will operate some function of the graphic image utilize¹ the display.

There are criteria that a design is not registrable, where similar to any other country, prior to the filing of the application, a design is publicly known, or described in a publication distributed or made available to the public through electric communication lines. Besides, a design that is similar to the design of the aforementioned (i) as mentioned under Article 3(1) (iii) of [*Japan Design Act*, 2016]; or a design easily created by a person who has an ordinary skill in the art to which the design pertains, on the basis of publicly known design features in Japan or any other country, prior to the filing of the application as stated under Article 3(2) [*Japan Design Act*, 2016].

Similarity is defined as (i) in comparing two designs, the article is the same or similar to each other and the design feature is similar; or (ii) in comparing two designs, the article is similar and the design feature is the same. "Similarity" is determined as a whole, based on the aesthetic impressions extracted by individually assessing a common part of different part between two designs to be compared, from the view point of a consumer (including dealer).

Other than aforementioned requirements, JPO will examines whether an application fulfil the requirements et al; the design does not against public order or morality as stated under Article 5 of [*Japan Design Act*, 2016]. The registrable design should not liable to cause confusion with articles connected with any other person's business; and design should not consist solely of a shape that is indispensable for securing functions of the article.

The design application in Japan is subjected to formality examination whereby the application documents submitted to the JPO will be checked by the officers of the JPO to make sure it fulfills the necessary procedural and formal requirements. The application will require to make necessary amendment if the documents are not completed. Then will follows by substantive examination conducted by the specific officers or Examiners. Filing application at the JPO means that the application is requested to be examined. Therefore, it is not necessary to further request conducting substantive examination.

Once the examination completed and the application fulfilled all the requirements, the examiner will issue a decision of grant under Article 18 of the Japan Design Law. The applicant must pay the registration fee within 30 days from the issuance of the grant decision. The registered design will be published in the Design Gazette (Ishô kohô) except for the design which the applicant requested to be kept in secret for a certain time. Secret design under [*Japan Design Act*, 2016], Article 14(1) described as an application for design registration may demand that the design be kept secret for a period which shall be

¹ Examination Guideline for Design, Chapter IV, Design includes a Graphic Image on a Screen

designated in the demand and shall not exceed three (3) years from the date on which the establishment of the design right was registered.

On average, a first office action will be issued about 6 months from the date application received. If there is no office action, the time period for obtaining a design right from the filing of the application will take around 7 months.

The flowchart below shows the procedures from the filing to registration of an application. [Japan Patent Attorney Association [JPAA], 2018]

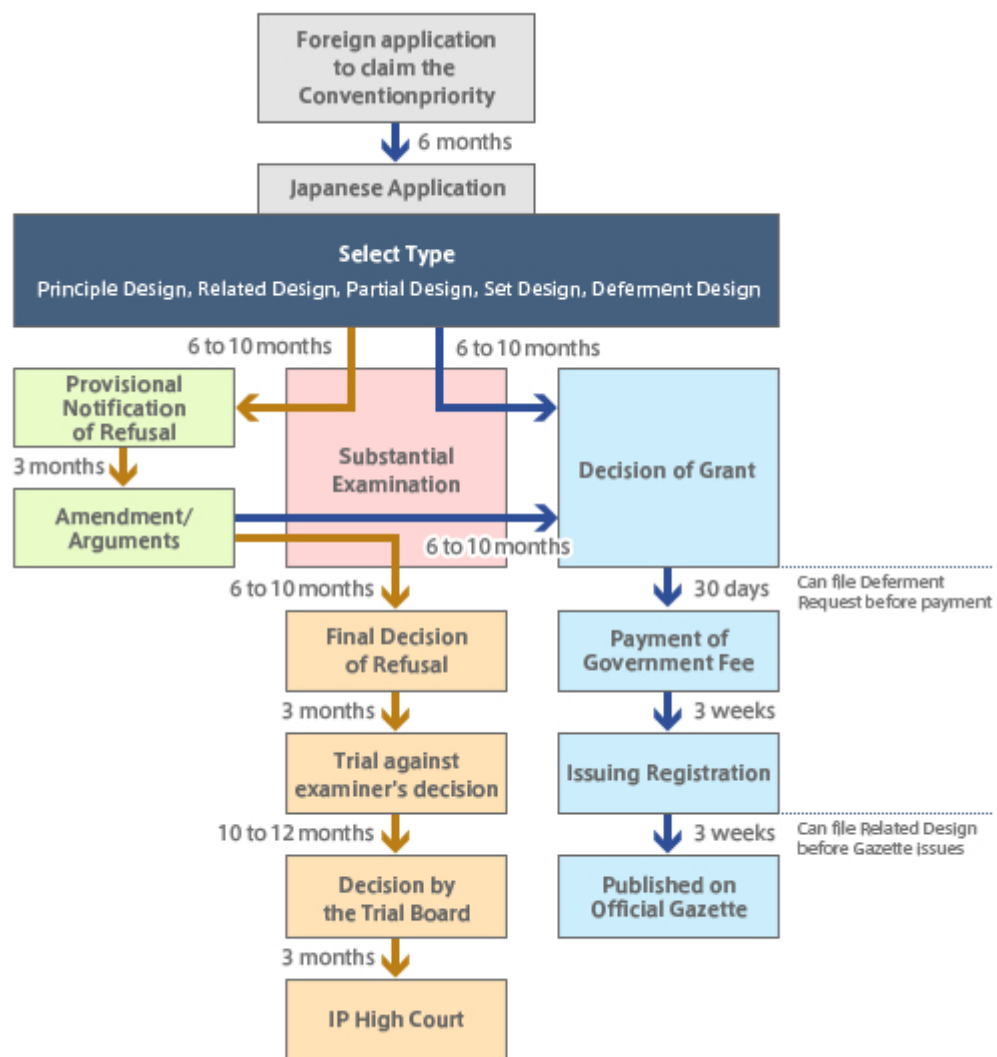


Figure 1: Flow for Design Registration in Japan

2.1.2 Background of design registration system in Malaysia

In Malaysia, protection of industrial design is governed under Industrial Design Act 1996 and Industrial Design Regulations 1999, which came into force on September 1st, 1999. The design is registrable if fulfilled the definition under the Act where the features of shape, configuration, pattern or ornament that applied to finished product appeals to the eye.

The design has an aesthetic appearance, new and can be applied to the product by an industrial process as stated under Section 3, of [*“Industrial Design Act”, 2015*]. Another essential criteria for design registration is the design must fulfill the requirement of worldwide novelty. Hence, an industrial design shall not be considered as “new” if it has, before the priority date, has been disclosed to the public anywhere in Malaysia or elsewhere under Section 12 of [*“Industrial Design Act”, 2015*].

The other registrability requirements are that the design must not be an integral part, a design that is mainly rely of on the function, method or principle of construction, and design that against public order or morality as mentioned under Section 13 of [*“Industrial Design Act”, 2015*].

Design registration procedure in Malaysia will take normally 8 months [MYIPO, 2018] from the date of filing if there is no any objection. The application will go through formality requirements examinations, once fulfilled the formality requirements, the application will directly go to substantive examination. The formality requirements are stated under Regulations 19 where the documents filed must fulfilled requirements of Regulations 3 until 14 of [*“Industrial Design Act”, 2015*].

There is no opposition under Malaysian design registration system. Once the design complied with registrability examination, the design will directly gazette in Malaysia Intellectual Property Journal.

The total period of protection is 25 years from the filing date and subject to renewal to 4 consecutive terms for every 5 years (Section 25) of [*“Industrial Design Act”, 2015*]. The registration flowchart in Malaysia is shown in the next page:

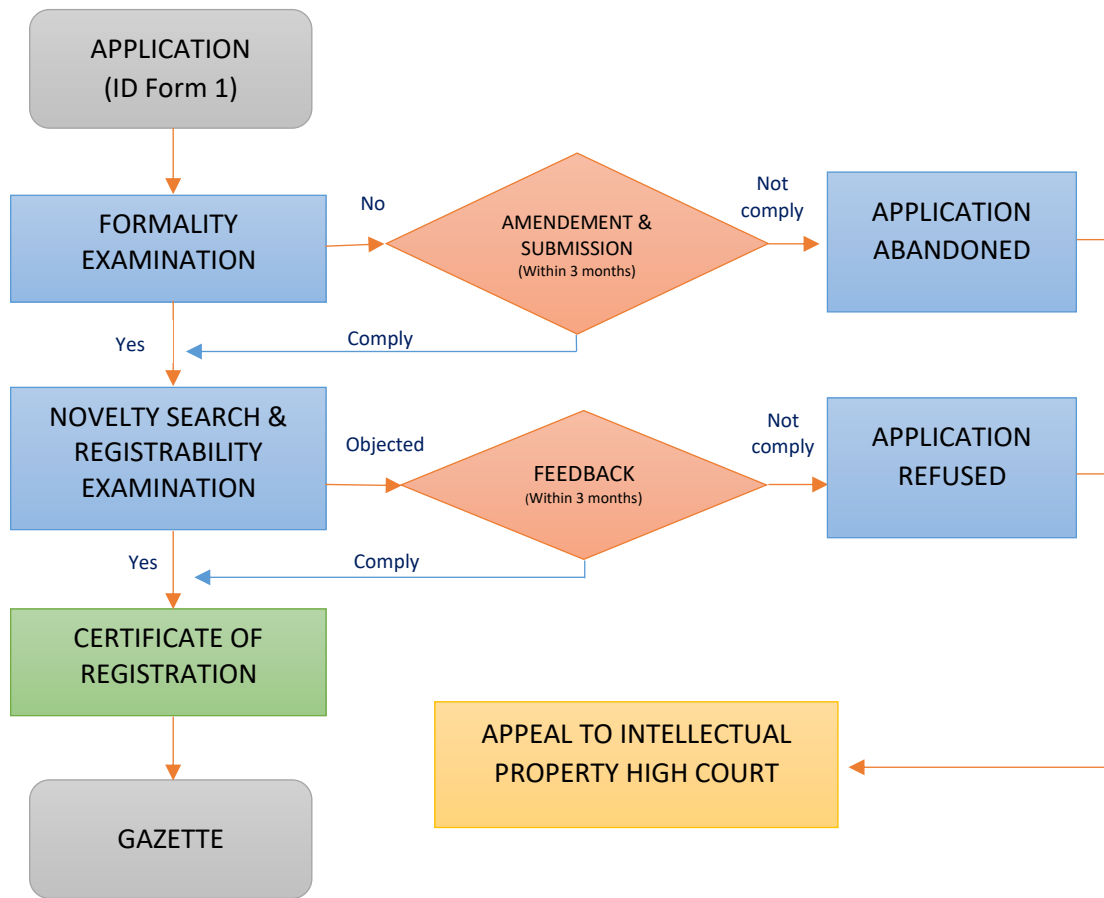


Figure 2: Flow for Design Registration in Malaysia

2.2 Post Grant Procedure: Challenging the validity of design in Japan

The invalidation procedure is varying from one countries to another and it may be heard either before IP office or IP court. In some countries the term is referred to as cancellation, annulment or revocation of a registered design. The invalidity proceedings will take place after establishment of right. In Japan, there is a dual track system, with two ways in which the validity of a design can be challenged. Firstly, is by demanding for a design invalidation trial for the invalidation of the design before the Japan Patent Office (JPO).

In an invalidation trial and be issued a trial decision that a design registration is to be invalidated as stated under Article 48 [*Japan Design Act*, 2016]. The parties can have a chance to appeal against the JPO decision for the Intellectual Property High Court ("IP High Court") as a suit to

cancel or revoke a trial decision (second trial). Some of them will go to the Supreme Court if the parties have a question on the understanding the Law (Third trial).

In the infringement Court, the person who wishes to invalidate the registered design can state that the registered design should be invalid with appropriate evidences. The Court may study the evidences and issue the decision on the invalidity of the registered design.

2.2.1 Design Invalidation Trial at Japan IP office

Invalidation trial is sometime referred to as invalidity trial and it is an administrative proceeding before the Appeals and Trials Division of the JPO. Under Japanese Design Law, a design trial invalidation may be demanded for the invalidation where a registered design has been effected contrary to the registrability requirements under the Design Act².

Anyone can challenge the validity of design in an invalidation trial, with an exception as only the legitimate person can demand for invalidation in case that the demand is on the attribution of the design rights, and the challenge can be made at any time even after the expiration of design right Article 48(2) [*Japan Design Act*, 2016].

2.2.1.1 Structure of the Trial and Appeal Department

Trial and Appeal Department was separated with Patent and Design Examination Department in the JPO. Therefore, all cases dealing with demand for appeal and invalidation affairs will be manage under the Appeal and Trial Department. This department also consists of Administrative Judge who is responsible to make decision. The Administrative Judge is a senior examiner who worked more than 10 years for the Examination Department and has taken a training course to become an Appeal and Trial Examiner or Administrative Judge. The function of this department is more or less like court where it involves with a team of panel to hear during oral proceedings before the decision is made. The structure of Trial and Appeal Division [JPO, 2018b] is shown in the Figure 3 in the next page:

² Art.48(1)(i) list down the grounds of invalidation can be demanded of the registered design contrary to Art 3, 3bis (3-2), 5, 9(1) or (2), 10(2) or (3) or to Article 38 Patent Act as applied under Article 15(1) Design Act, or Article 25 Patent Act as applied under Article 68(3) Japan Design Act.

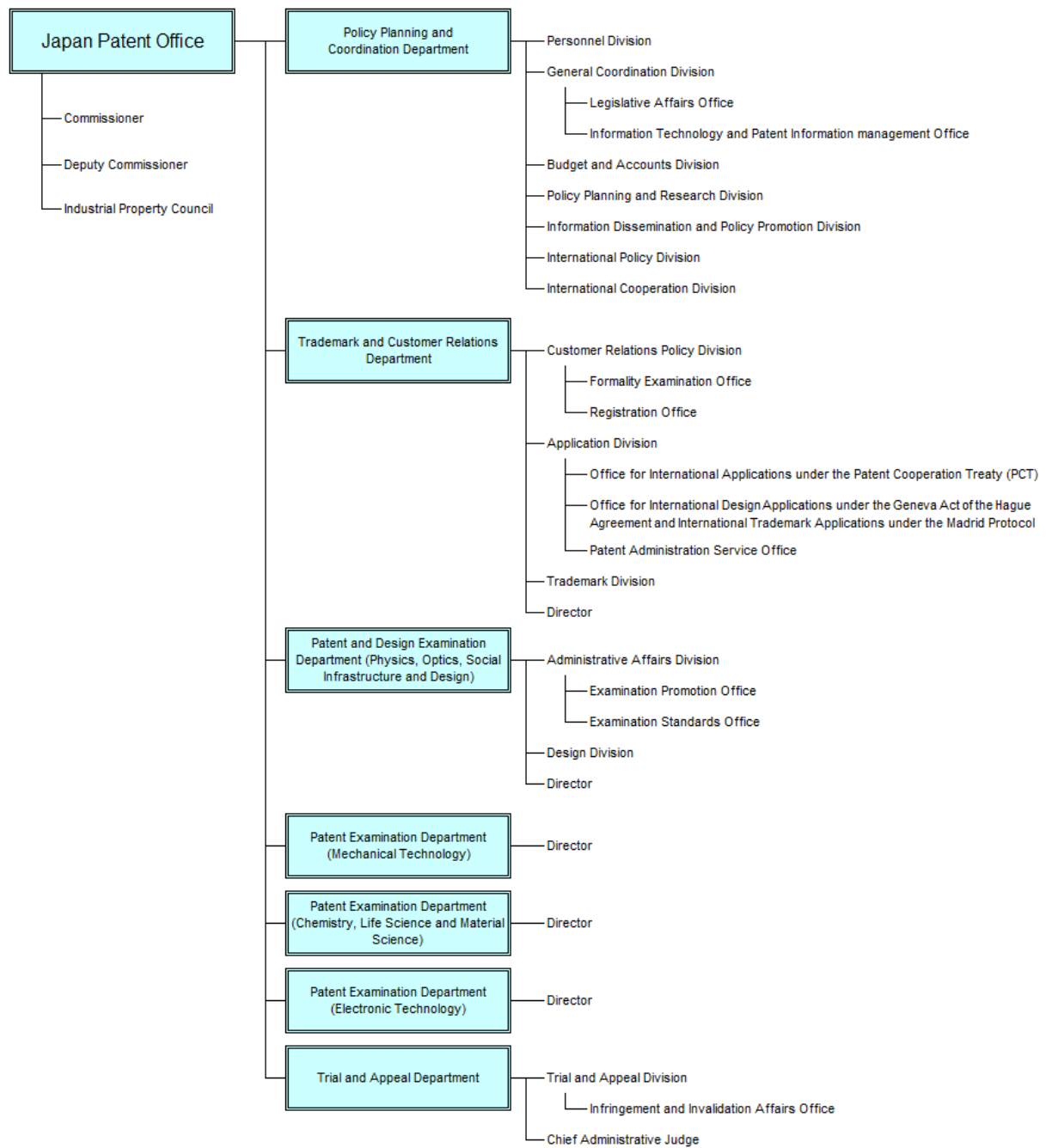


Figure 3: Organization chart of the Japan Patent Office

Based on the general organization chart mentioned previously, the Trial and appeal Department can be narrowed down into further subdivision as below:

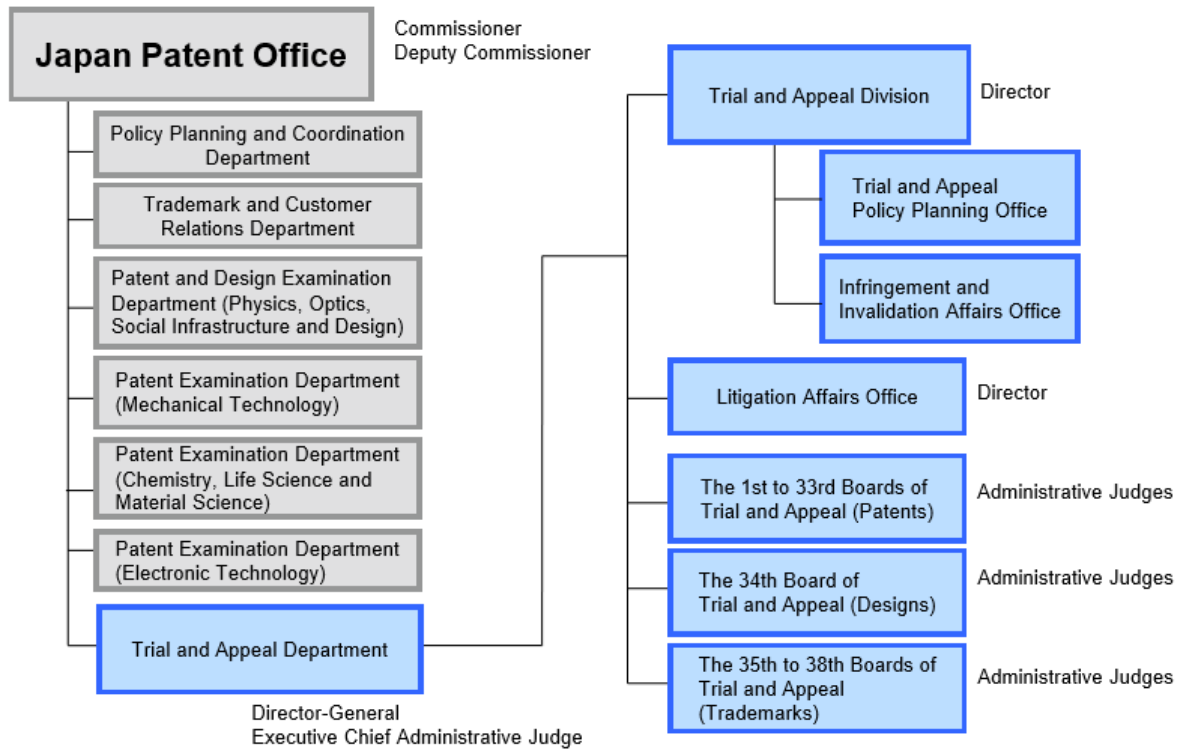


Figure 4: Organization chart of Trial and Appeal Department at JPO

(a) Number of officers

The Trial and Appeal Department consist of 33 boards or collegial body of trial examiners in charge of patents that divided by different technical fields, 1 board in charge of design and 4 boards for trademarks. Executive Chief Administrative Judge is in charge of supervising all boards, especially those dealing in litigations. The total numbers of Administrative Judges or trial examiners are 383 in the year 2017 and approximately 10 of them are in charge for Design appeal and trials.

The fields assigned to Trial and Appeal Department is described in the Figure 5 below:

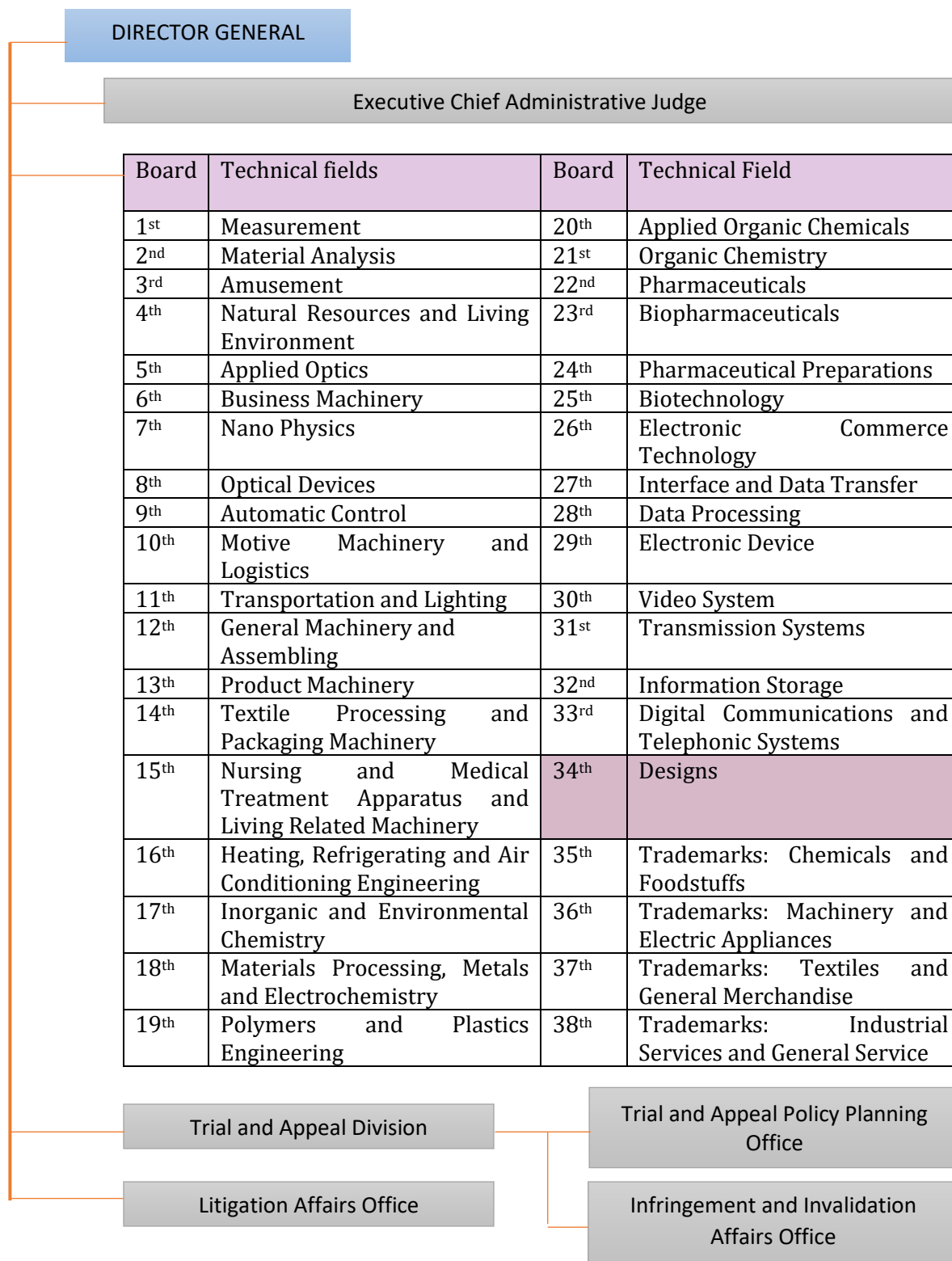


Figure 5: Fields assigned to Trial and Appeal Department at JPO

2.2.1.2 Outline of invalidation trial proceeding

The invalidity proceedings at the JPO started by filing a request for invalidation trial. Then it will go to Formality check to make sure the documents submitted is sufficient and fulfill the requirements. Once the formality requirements fulfilled, the applicant will be called for a consultation before set up the oral proceeding with both parties.

During the trial, the application will be examined by 3 as usual or 5 as special, appeal trial examiners who compose the collegial body of trial examiners; and the Trial Examiner-in-Chief preside over the entire procedure. Inside the trial room, there also will be trial clerks will support the collegial body of trial examiners. Based on oral proceedings, the collegial body of trial examiners will make a trial decision. The basic flow of invalidation trial proceeding is shown in the Figure 6 below:

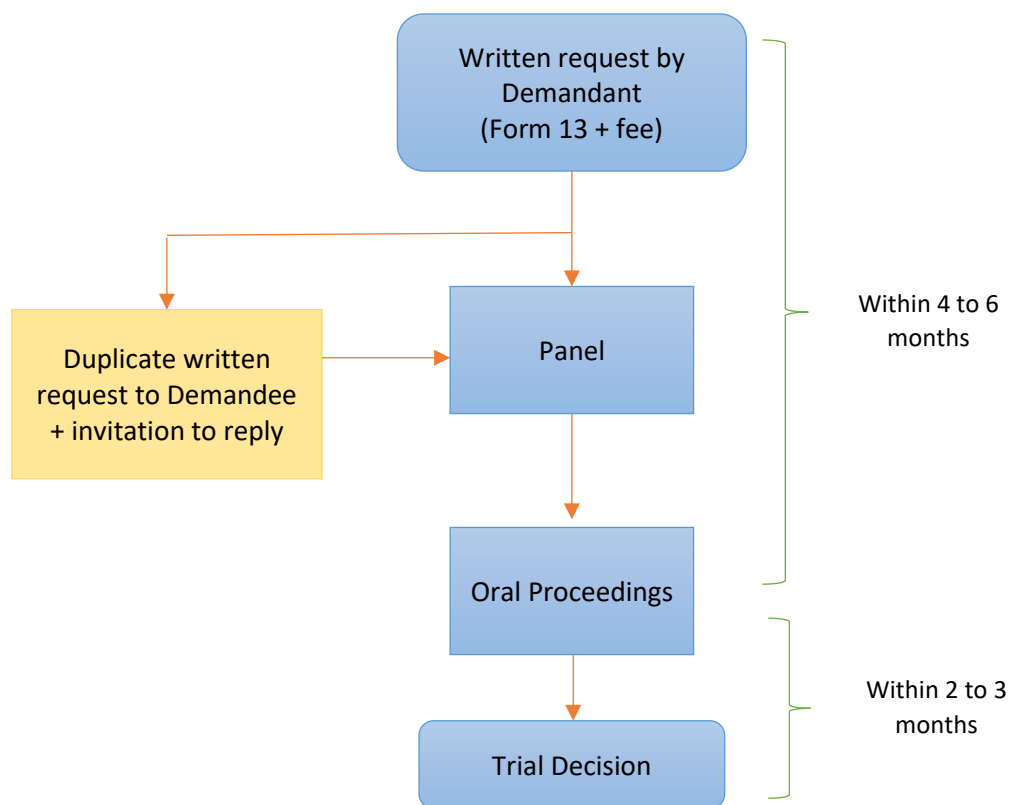


Figure 6: Basic flow of Invalidation Trial at JPO

A trial for design invalidation at the JPO is commenced when the Demandant submitted a written request to the JPO through Form 13 for trial to the effect that the design is to be invalidated. The request shall include the name and domicile of the Demandant, an identification of trial case and the relief sought together with the grounds. The grounds shall specify the fact constituting the grounds for invalidation and the evidence to proof such facts, Article 131 [“Japan Patent Act, 2016].

Once the JPO received the request Form with evidence, an appeal trial examiners composing a collegial body of trial examiners is appointed (Article 137(1) of [“Japan Patent Act, 2016] to make sure the request Form is fulfilled formality requirement. Once completed formality check, a duplicate of the said written request is submitted to the design registration owner (Demandee).

The Demandee will have opportunity to submit a written reply based on the written request for trial, Article 134(1) [“Japan Patent Act, 2016]. When a written reply is submitted, a duplicate thereof is transmitted to the Demandant.

After completed with written submission between both parties, which is known as consultation stage, the trial examination will be conducted in order to determine the validity of the registered design as requested by the Demandant.

The examination procedure for trials for design invalidation at JPO are conducted through oral proceedings, Article 145 of [“Japan Patent Act, 2016]. In principle, the oral proceedings are held except for the cases where all parties concerned request to be conducted based on documentary proceeding. Therefore, it is an options to the parties either to proceed with oral proceeding or not. However, it is more preferable to conduct oral hearings in order to enable both the Demandant and the right holder to fully allege and the panel to conduct proceedings and render decision in a manner that both parties will be satisfied [JPO, 2018a at 51-00].

After hearing, when the judge is ready to make a trial decision (Article 164-2(1) of [“Japan Patent Act, 2016], an advance notice of a trial decision is issued or the examination is concluded to render a trial decision. Details flow [JPO, 2018a at 51-03] of trial for design invalidation is shown in Figure 7 in the next page (temporary translated into English):

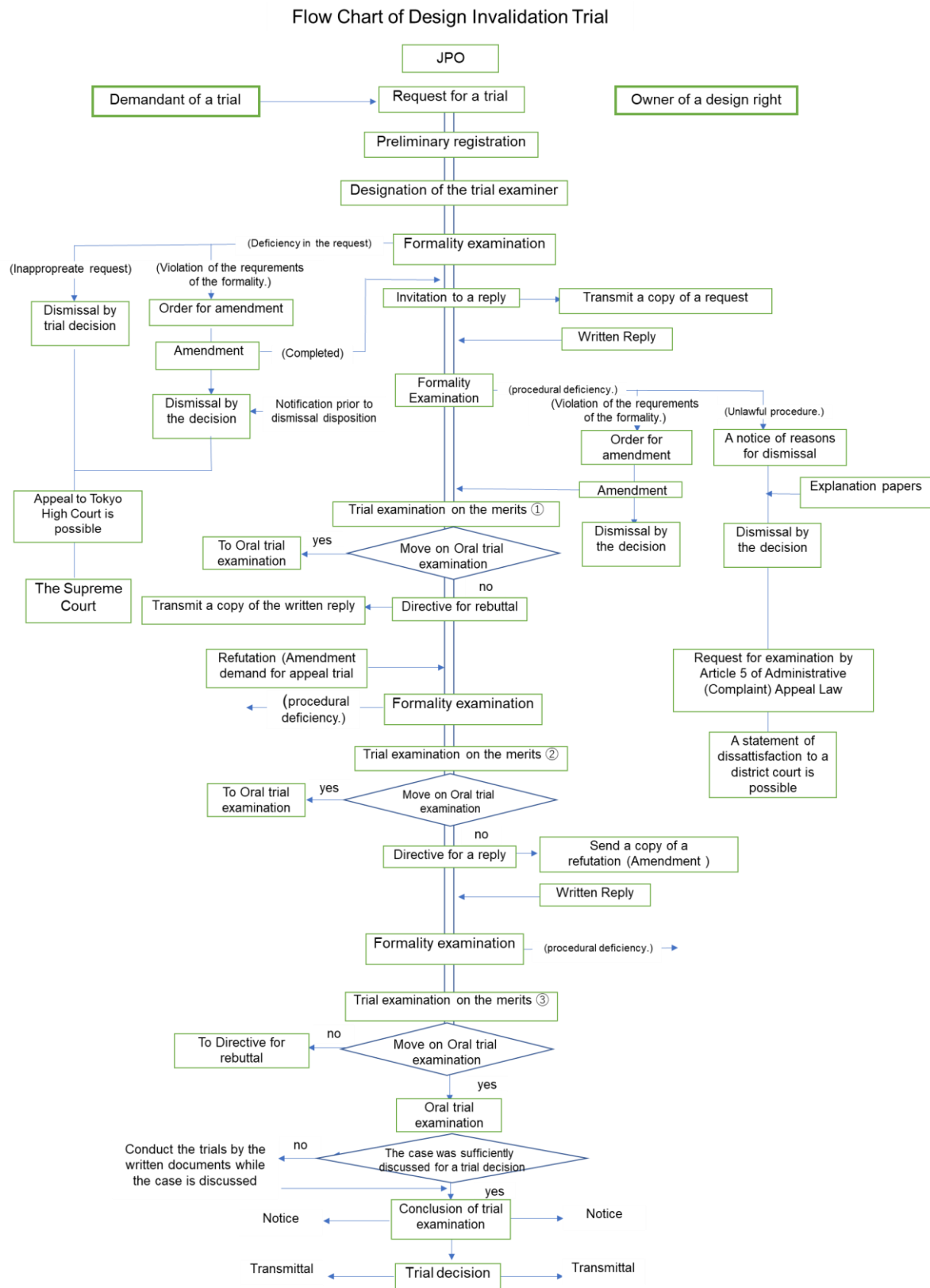


Figure 7: Detail flow of Invalidation Trial at JPO

2.2.1.3 Requirements to request for design invalidation trial

(a) Demandant

Design invalidation trial may be demand by any person. If the request is on the grounds related to public interest such as lack of novelty, against public morality, etc, eligible Demandant should be limited to interested persons. However, there are certain grounds that a demand may be demand only by a person having had the right to obtain design registration for the design with respect to the design registration; whereby that grounds is the grounds related to attribution rights such as violation of requirements for joint applications and usurped application³. The details of the eligibility for Demandant will be explained further in the paragraph below.

(b) Grounds

In order to file invalidation trial at the JPO, the Demandant need to make sure that the request is accordance to the grounds as listed under Article 48 of [*Japan Design Act*, 2016]. Therefore, the design invalidation may not be filed based on any other grounds than what stipulated under the Act. The grounds for design invalidation is shown in Table 1 as follows:

Table 1: Grounds for invalidation in JPO

Applicable Provisions	Eligibility for Demandant (the Design Law, Article 48 (2))	Grounds for invalidation
The Design Law Article 48(1)(i)	Any person	Violations of requirements for design registration (the Design Law, Article 3 and 2bis (3-2))
	Any person	Violation of grounds for unregistrability (the Design Law, Article 5)
	Any person	Violation of prior application (the Design Law, Article 9(1)(2))

³ the invalidation is demand when the design registration granted in contrary to Article 38 Japan Patent Law.

	Any person	A related design for which design registration was filed, although the exclusive license has been established for the principal design right (the Design Law, Article 10(2))
	Any person	A design that is similar only to a related design (the Design Law, Article 10(3))
	A person who has right to obtain design registration	Violation of joint applications (the Patent Law) Article 38, which shall apply <i>mutatis mutandis</i> to the Design Law, Article 15(1)
	Any person	Violation of enjoyment of rights by foreign nationals (the Patent Law, Article 25, which shall apply <i>mutatis mutandis</i> to the Design Law, Article 68(3))
The Design Law Article 48(1)(ii)	Any person	Violation of a treaty
The Design Law Article 48(1)(iii)	A person who has right to obtain design registration	Design registration granted on a design application filed by a person who has no right to obtain the design registration for the said design
The Design Law Article 48(1)(iv)	Any person	Violation of enjoyment of rights by foreign nationals and a Treaty occurring after the grant of design registration

(c) Timing for request

Request for design invalidation trial can be made at any time after the registration of the establishment of the design right. A design invalidation trial may be demanded even after the extinguishment of a design rights, Article 48(3) of [*“Japan Design Act”, 2016*].

(d) Procedure for filing a trial for design invalidation

When requesting a trial for invalidation of design registration, a Demandant must file a request form which complies with the formal requirements provided for in the Japan Patent Act, Article 131(1) and (2), which shall apply *mutatis mutandis* to the Japan Design Act, Article 52. The Ordinance for Enforcement of the Design Act, Article 14 stipulates that a Demandant must prepare a Form No. 13 in filing a request for trial [JPO, 2018c].

The written request [JPO, 2018a at 51-07] submitted to JPO must fulfilled the formality requirements [JPO, 2018a at 21-00]. The request must be in duplicate copies together with attached documents relating to invalidation trial such as documents for evidence [JPO, 2018a at 21-01]. The written request for trial shall state the name, domicile or residence of the party concerned and the representative, then should mentioned the identification of the trial case and the object and statement of the claim, Article 131(1) of [*Japan Patent Act*, 2016]. The purpose of request should be mentioned clearly on what kind of trial decision that the Demandee request and the ground of invalidation [JPO, 2018a at 51-07.2(2)].

Regarding the reasons for request, the facts on which invalidation of the patent is based shall be specified in concrete terms and the relationship of each of fact that is required to be proved with the relevant evidence shall be stated Article 131(2) of [*Japan Patent Act*, 2016]. The ground must be stated in the 'column of reason for claim'[JPO, 2018a at 21-03.1] and the evidence must be specified concretely as the failure to attached evidence to a written statement, it will cause difficulty to the panel to grasp the contents of the fact if the main facts just only mentioned without evidence [JPO, 2018a at 51-07.3].

Once the aforesaid documents are completed according to the formality requirements, then the application will go to the next stage for examination of evidence. If there is violation towards the formality requirements for example the written request not complete fill in with sufficient information or the facts is not clearly mentioned or even the supporting documents of evidence is not sufficient, the examiner will send an order to correct and inquiry the contents of documents and amend if there is typology in the documents [JPO, 2018a at 21-01].

However, the gist in the written request for trial may not be changed⁴ excepts when the amendment is made to the ground for demand under Article 131(1)(iii) of Japan Patent Act relating to the relief sought in demand and the ground therefore; and where the permission was granted by the trial examiner-in-chief.

⁴ Article 132(2)(1) Japan Patent Act *mutatis mutandis* with Article 52 Japan Design Law

(e) Filing fee

Filing fee for requesting design invalidation trial is overall 55,000 yen if submitting the paper format, the Demandant need to affix the revenue stamp of the aforesaid filing fee on the request Form No. 13. The fee covered from filing until the invalidation decision released and no further fees will be requested to pay. The details of the fees include with trials with other IP components are shown in the table [JPO, 2018d] below:

Table 2: Fee schedule for Trial and appeal proceeding in JPO

	Patent	Utility Model	Design	Trademark
Request for Trial / Appeal	JPY 49,500 + JPY 5,500 x numbers of claims	JPY 49,500 + JPY 5,500 x numbers of claims	JPY 55,000	JPY 15,000 + JPY 40,000 x numbers of classes
Request for Correction	JPY 49,500 + JPY 5,500 x numbers of claims	-	-	-
Opposition to grant of patent	JPY 16,500 + JPY 2,400 x numbers of claims	-	-	-
Request for advisory opinion	JPY 40,000	JPY 40,000	JPY 40,000	JPY 40,000
Request for intervention (excluding opposition to grant of patent)	JPY 55,000	JPY 55,000	JPY 55,000	JPY 55,000
Intervention	JPY 16,500	JPY 16,500	JPY 16,500	JPY 16,500
Others	Request for intervention for opposition to grant of patent JPY 3,300	-	-	Opposition to registration of trademark JPY 3,000 +JPY 8,000 x number of classes

2.2.1.4 Examination of invalidity ground

Once the written request meets the formality requirements, the trial examiner will examine the evidence provided based on the invalidation grounds requested [JPO, 2018a at 35-00]. Therefore, the Demandant need to make sure the grounds requested for invalidation is supported by concrete evidence to support the arguments. For example, a copy of certain magazines that carries that particular designs, based on the claim under

the ground of lack of novelty. The Demandant may cite multiple grounds for invalidation which all will be examined based on the evidence provided by the Demandant. The Appeal and Trial examiner may re-examine the registered design for example by conducting novelty search based on the evidence provided.

2.2.1.5 Operation of Oral Proceeding

In principle, the examination trial for invalidation shall be conducted by oral trial examination. However, the trial examination in chief may decide to conduct the trial by documentary examination on a motion by a party, or intervenor or ex-officio as stated under Article 145 (1) of [*Japan Patent Act*, 2016]. The important of oral proceeding is that it considered as supplement allegations of the parties concerned which cannot be expressed sufficiently by written statements especially at the technical point, therefore it will be useful for the panel to fully grasp and understand issues in dispute accurately [JPO, 2018a at 33-00]. During oral hearing, the examination will not only limit to the grounds pleaded during the invalidation request but other grounds that have not be pleaded may be examined, as stated under Article 153 of [*Japan Patent Act*, 2016].

(a) Flow of Oral Proceeding

The flow of oral proceeding is briefly described in Figure 8 below:

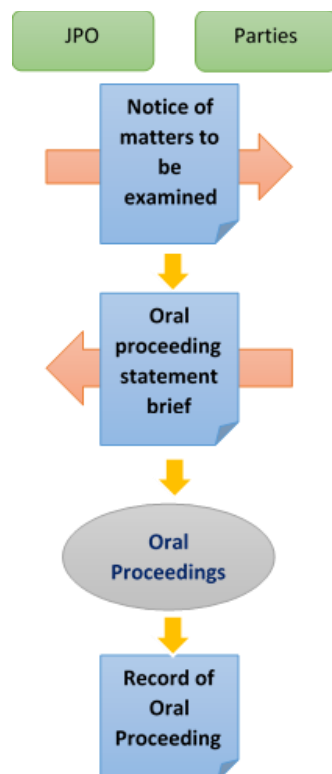


Figure 8: Flow of Oral Proceeding at JPO

Based on the flowchart above, oral proceeding is started when written request for trial and written reply from Demandee are ready, as well as all allegations and proofs of the parties are prepared, the chief administrative judge will firstly set the date for oral proceeding once the date is set up.

(b) Written Notice of Proceeding Matters

During this stage, the panel shall inform the parties of the matters scheduled to be examined for the oral proceedings by encouraging the parties to prepare statement in oral proceedings based on the information. The notice is sent by the panel to the both parties. The purpose of the notice of matters to be examined is to clarify matters to be alleged and proved during oral proceedings. Besides, the issues under disputes can be sort out by the parties to ensure that oral proceedings will be conduct smoothly and the panels can collect necessary information for trial decision as much as possible. The matters stated under the noticed to be examined, *inter alia*, Provisional opinion of the panel, Request for explanation, Matters to be asserted by the parties concerned that normally consist of matters in dispute by the parties and matters in question for the panel to make a trial decision, so that the parties can fully state and prove their claims.

(c) Oral Proceeding Statement Brief

Before the hearing, usually the Demandant will be requested to prepare a statement brief answering several questions from the examiners or presenting arguments on specific topics that the examiners may think are important. The parties file the statement briefs that reflects the content of the notice of matters to be examined. In addition, they enable efficient oral proceedings by an elaborate theoretical statement. The parties are required to submit an oral proceedings statement brief around one week or two weeks before the date of proceedings. However, there is no requirement to submit an oral proceeding statement brief if a written request for invalidation trial is stated clearly and appropriately in documents of submission together in written reply.

(d) Content of Oral Proceedings

This stage enables the panel to accurately grasp and organize the issues by exchanging orally between the panel and the parties. Besides, during oral proceeding, the parties are given the opportunity to describe adequately according to the documents submitted and therefore it will improve the content of the trial and the trial decision could satisfy the parties.

(e) Written Record

The contents during oral proceedings will be recorded each date of oral proceedings is held. The written record consist of gist and other necessary matters includes formal relating to the proceeding such as the time, date, person appeared and the panel.

In order to improve the quality of proceeding, the trial courtroom at JPO is well equipped with IT apparatus including multiple display monitors to enable the parties concerned, the panel and observers to understand technical explanation at the same time, other facilities like RGB cable to make it possible to use videos and presentation software, Pen Tablet to allow the panel to write on the picture and the Tablet Display Screen to show the picture to the parties concerned also Document Camera that allow to display exhibits including documents and article brought by the parties.

The facilities served to make sure the participants can grasp, in a prompt and accurate manner, materials and evidence so that oral proceedings can be conducted smoothly. In order to further improve the contents of trial proceedings, this is one of JPO initiative in order to utilize of oral proceedings IT facilities at JPO courtroom [JPO, 2018e].

Regarding the arrangement of the judges and parties during Trial proceeding at JPO, it is almost similar to the Court proceeding. The position arrangement [JPO, 2018e] is shown in the Figure 9 below:



Figure 9: Arrangement during Invalidation Trial at JPO

Another method of oral proceeding conducted for trial and appeal proceeding by JPO which is an oral proceeding through Circuit Trials On-Site interview. This proceeding will be held when the parties concerned are consist from the companies, universities, or

others in the local regions requested the panel to visit their regions in order to conduct circuit trials or on-site interviews. Besides, JPO also offers video conference system to support regional user. This method will be very convenience and helpful to improve the effectiveness and smoothen the process of oral proceeding in the invalidation trial. As per 2017, a total of 35 circuits' trials and appeals, 19 on site-interviews and 4 video conferences were conducted. [JPO, 2018e]

2.2.2.6 Trial Decision

Regarding the trial decision, once the decision of design registration is to be invalidated has become final and conclusive, the design right shall be deemed never to have existed. However, where the trial decision to the effect that the design registration which is fall under the grounds stipulated under Article 48(1)(iv) of [*"Japan Design law"*, 2016] to be invalidated has become final and binding, the design right shall be deemed not to have existed from the time when the registration first fell under that item, as stated under Article 49 of [*"Japan Design law"*, 2016].

2.2.2 Design invalidity at Japan IP Court

Any person who is dissatisfied with invalidation decision made by the JPO may file an administrative suit to seek the recession thereof. This proceeding called a suit against an appeal or trial decision made by the JPO [SCJ, 2018].

Any suits against appeal or trial decisions made by the JPO that are under the exclusive jurisdiction of the Tokyo High Court (Article 178 (1) of [*"Japan Patent Act"*, 2016]), will be handled by the IP High Court which is a special branch of the Tokyo High Court (Article 2(iii) of the [*"Act of Establishment of the IP High Court"*, 2018]). Any person who is dissatisfied with a judgment handed down by the IP High Court may file a final appeal with the Supreme Court. Therefore, unlike an ordinary lawsuit, a suit against an appeal or trial decision made by JPO will omit the proceedings at a district court. This is because the JPO trial procedure is conducted as quasi-judicial proceedings, which require a high level of fairness similar to that required in judicial proceedings and it is also because the JPO decision is made based on specialized, technical knowledge possessed by the JPO appeal and trial examiners [SCJ, 2018].

In principle, the IP High Court handles cases through a panel of three judges (Article 18 of the Court Act) or through a five panel judges (Grand Panel) for any appeal against action relating to a technology-related action relating patent, as well as any suits filed against an appeal or trial decision made by the JPO, normally with regards to a patent or utility model

or for cases that is required a greater care proceedings which the outcome would give greater impact on business activities and the industrial economy. As for invalidation in design case, usually the proceeding only consists of three panel judges.

The parties who may file the lawsuits against the JPO's appeal or trial decision are only the same parties in dispute based on trial proceeding before the JPO, where no other third party may involve. The party who intend to appeal against the lawsuits must make sure that within 30 days after received the original decision by the JPO, he or she must file the request at the IP High Court.

The Jurisdiction over IP-Related Litigation [SCJ, 2018 at 14] at the court is explained in the next page:

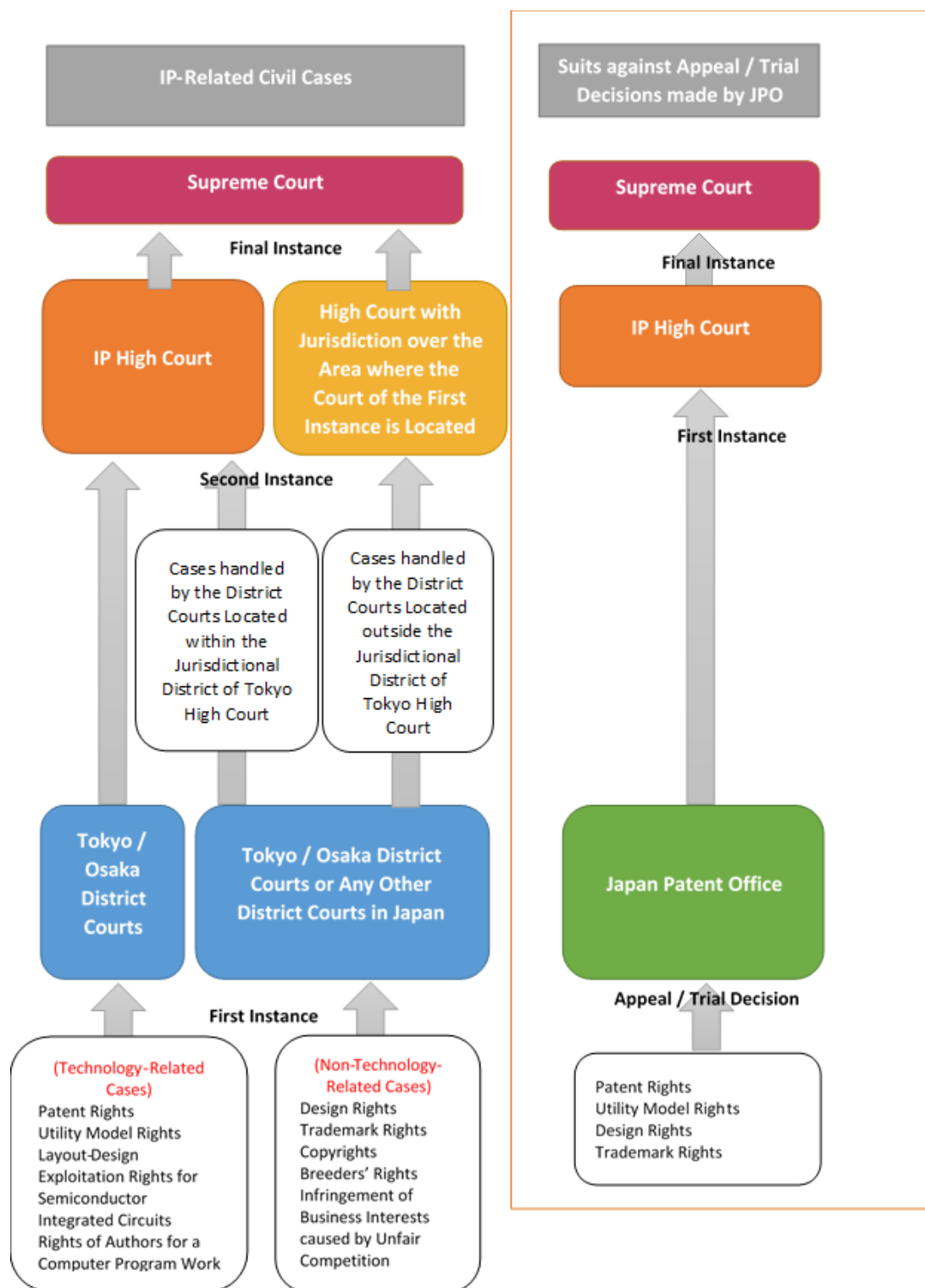


Figure 10: Jurisdiction over IP-Related Litigation

In most cases, a losing party from the trial for invalidation at JPO will appeal the case to the IP High Court. The appeal in the court can take about an additional year to complete, however in some cases it may take much longer depend on how complicated the case is. For suits against appeal or trial decision by the JPO in Design and Trademark cases are shorter than a Patent case. For a design average time frames around 6 to 7 months, after filing a lawsuit, the proceeding will take around one or two hearings only then after that the judgment will be issued.

In most suits to revoke the decision of appeal or trial by the JPO, proceedings are conducted on dates designated for oral argument. The progress of proceedings depends on the circumstances of each case. There are specific instructions will be given by the court to the parties. The flow of proceeding of suits to seek rescission of JPO Appeal or Trial Decision on Design cases at the IP High Court is described in the flowchart⁵ below:

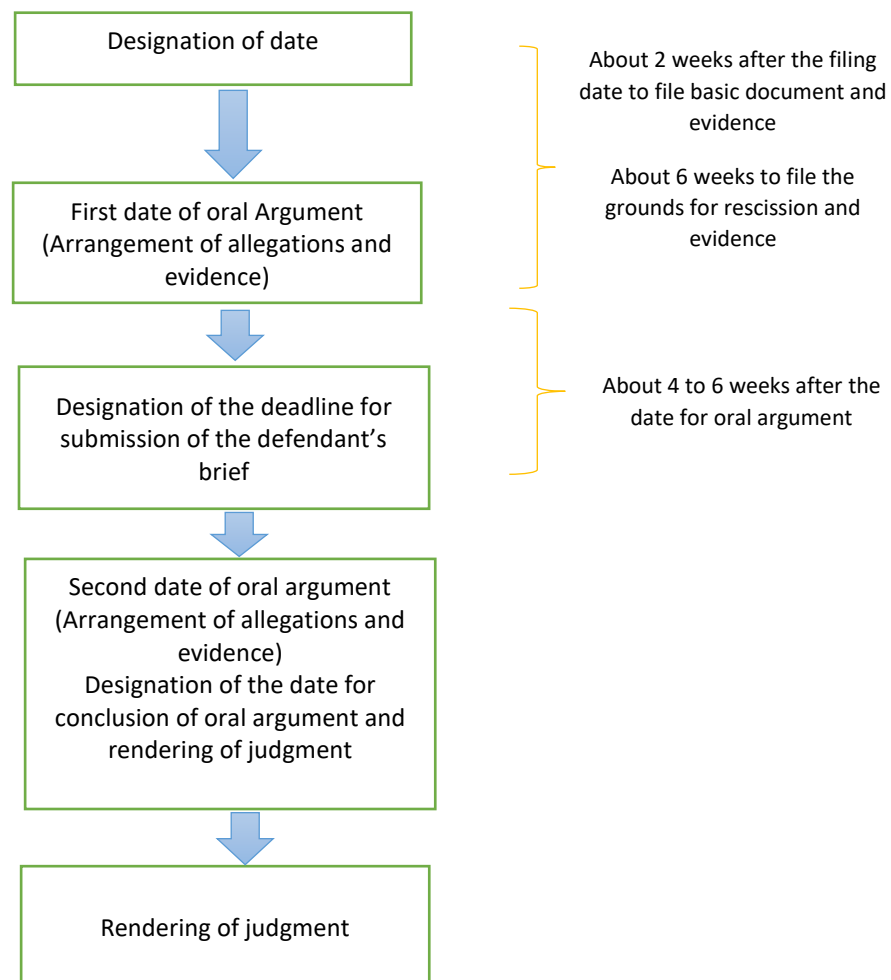


Figure 11: Flow of invalidation lawsuits at Japan IP High Court

⁵ The flowchart was provided during interview with Mr. Fujimoto, taken from Japan IP High Court website.

Note: the deadlines for submission of documents indicated above are estimates and may be specified separately depend on the circumstances for each case.

2.3 Post Grant Procedure: Challenge the Validity of Design in Malaysia

Currently, the procedure to determine the validity of registered design in Malaysia is only can be done by IP High Court. The only avenue that an interested party can use if there is any dispute related to the validity of registered design is by filing the request for revocation to the court. The grounds for challenging the validity of registered design in Malaysia includes all the registrability requirements under Malaysia Industrial Design Act 1996 which includes the ground of lack of novelty and the question whether registered design is not fulfilled the definition as required under the Act. Even often the disputes brought before the court also includes the issue related to infringement, somehow Malaysia IP Office does not practice the revocation of registered design at IP Office, instead by advising the interested party to bring the dispute to the IP Court.

2.3.1 Design invalidity at Malaysia IP Office

Under Malaysia Industrial Design Act, there is provision given the power to the Registrar to make decision if there is request for revocation by interested party as stated under Section 27(2) of [*Industrial Design Act*, 2016]. The provisions mainly stipulated the power given to the Court to determine the question of validity of registered design however, at the same time the provisions also given power to the Registrar to determine the disputes brought to IP Office in related to the validity of registered design. Besides, under the Regulations also explained the procedure on how request for revocation or rectification of registered industrial design should be handled by the Registrar [*Industrial Design Regulations*, 2015]. Nevertheless, since to date Malaysia IP Office never practice the procedure of revocation of registered industrial design for any grounds brought to them.

2.3.1.1 Procedure of request for revocation to the Registrar

Procedure for request for revocation to Malaysia IP Office can be request by any person or aggrieved party. The process starts by the applicant filing the request Form which is ID Form 6 together with the fee of RM600⁶ and a statement setting out fully the applicant's interest and the facts upon which he relies to the Registrar of Industrial Design. The Form shall fulfill the formality requirements by stating

⁶ If filing manually and RM580 if filing via online as stipulated under Schedule of Fee, Malaysia Industrial Design Regulations 1999

full name, address and domiciled of the applicants. Besides, in the Form also should mentioned on which registered design that wish to request for revocation and the grounds on which the dispute in question. The Form should be submitted together with the documents of evidence that the applicant is rely on. Once the documents received by the Registrar, it will go to formality examination then will follow with examination of evidence.

Where if the applicant is other than the owner of industrial design, the same Form and documents should be submitted to the owner. If the owner wishes to oppose the request for revocation, he shall file notice of opposition and includes statement of grounds upon which the owner objects and a copy of the written objects should give a copy to the applicant. If the owner does not file notice of opposition the request for revocation shall be deemed to have no objection. Then, the applicant may file a counter-statement setting out the grounds on which he relies as supporting his applications and the facts. If no counter statement is filed, the application shall be deemed abandoned.

The examination of evidence could be done after giving the owner and the applicant an opportunity to be heard by filing in written submissions within a specified time before Registrar decide on the matter either to maintain the registration or to revoke. The procedures as mentioned above is stipulated under Regulations 27 [*Industrial Design Regulations*, 2015]. The basic flow of the proceeding is mentioned in Figure 12 below:

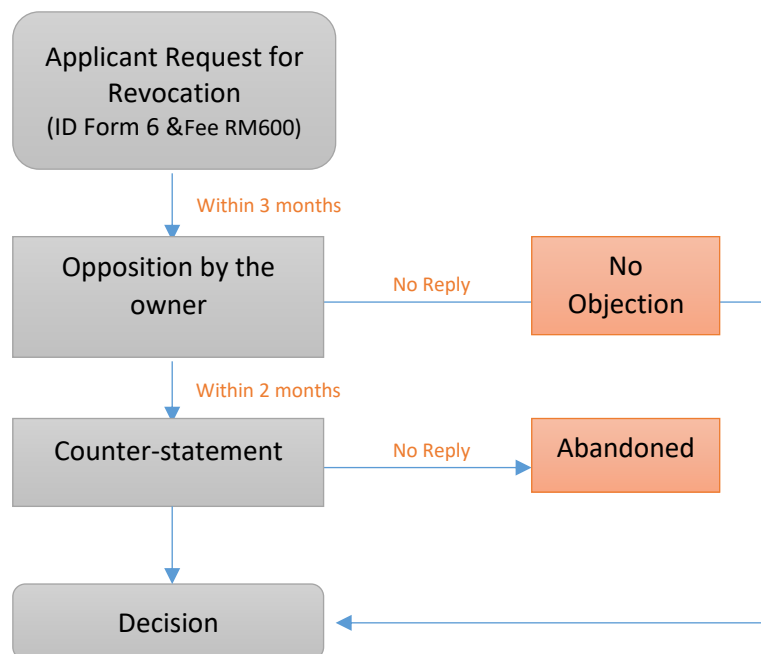


Figure 12: Flow of Invalidation procedure at Malaysia IP Office

2.3.2 Design invalidity at Malaysia IP Court

Malaysia judiciary had introduced dedicated IP Courts in 2017 that consist of 15 sessions Courts that sit in each state and 6 High Courts that sit in certain state. The purpose of assigning a special IP court is to give proper attention to IP cases in the criminal and civil courts and to ensure that the judges hearing such cases equipped to handle IP issue. The IP court in Malaysia is considered a great success as it managed to handle IP cases much quicker than before [“IPFactsheet”, 2018].

An application for revocation or rectification to the court may be made by originating summons as mentioned in Regulations 28(1) [“*Industrial Design Regulations*”, 2015]. Once the plaintiff had submitted the application for revocation to the court, he or his lawyer must submit a copy of originating summons to the Registrar of Industrial Design together with Form ID 7 as stated under Regulations 28(2) [“*Industrial Design Regulations*”, 2015]. There is no fee required to pay for purpose of submitting the said document. The purpose is to notify the IP Office that such registration is now in dispute and pending decision by the Court. Where the order is made by the court, the plaintiff shall file a copy of the Court order to the Registrar and if rectification of the Register is required, ID Form 8 accompanied by the fee of RM200.

2.3.2.1 Procedure of request of revocation at Malaysia IP Court

The request for revocation can be made at any time after registration of industrial design on the ground that the industrial design has been disclosed to the public prior to priority date of the application for registration or for the case of cancellation of the registration of the industrial design on the ground that the registration of the industrial design has been procured by unlawful means, Section 24 [“*Industrial Design Act*”, 2015]. Therefore, the court may make such order on the application as it consider just. The procedure of revocation or rectification at the Court is following the normal civil case procedure.

The civil court procedure is stipulated under Order 28 The Rules of Courts 2012, where after submitting originating summons, the court will determine the date for hearings between plaintiff and defendant, if the defendant want to counterclaim the grounds claims by the plaintiff, the required documents and submission of evidence⁷ is necessary to proof such claims. It is noteworthy to highlight that there is no jury system in Malaysia and the proceedings in High Court will be heard and determined by a single judge⁸. Normally the proceeding commenced at the High Court in Malaysia, an aggrieved person is the one who has *locus standi* to commence invalidation proceeding. He or she required

⁷ The applicable rules of evidence of court proceeding are set out in the Evidence Act 1950, and generally Malaysian Court adopt the common law position with regard to evidence.

⁸ Proceeding of Court of Appeal will usually be heard and determined by a panel of three judges and for Federal Court will usually be heard by a panel of five judges.

to submit originating summon and supported by affidavit to the High Court. The case is appealable to the Court of Appeal and all the way to the apex court, which is the federal Court.

As mentioned by [Su & Kong, 2012] The pre-trial procedural stages for commencing the revocation or rectification at the IP High Court could be summarized in the flow below:

- i. The plaintiff file originating summons with statement of claim
- ii. After the originating summon is served, the defendant has to enter his appearance within prescribed 8 or 12 days as applicable.
- iii. The defendant shall file defense within 14 days from service of the defense
- iv. After 14 days from filing of the reply by the plaintiff the pleadings are deemed closed
- v. The plaintiff shall thereafter file a case management notice.

Further explained by [Su & Kong, 2012] where in practice, the IP High Court manage the case quickly whereby it is common for case management in the court to commence starting from the moment plaintiff filed the originating summon and parties appear before the Registrar of the IP High Court for directions. The general case management directions issues by the Registrar that required for the parties to file before trial includes a statement of the issues to be tried, a statement of agreed fact, common documents for trial, list of witness as well as witness statement.

A case is usually will take around 6 months to a year from filing of a court action to setting down for trial. The current average disposal for revocation or invalidation case where evidence is purely based on affidavits such cases will take about a year at the IP High Court. If the trial involved the witness the entire proceeding until resolution may take around 2 years depending on the case complexity. If the parties in the proceeding unsatisfied with the decision made by the High Court, he may appeal the case to Court of Appeal and the final decision can be made by appeal to the Federal Court.

Regarding the filing cost at the IP High Court, [Abraham, Shanmuganathan & Wei Ren, 2017] stated that the legal costs for design litigation will largely depend on a number of factors such as the complexity of the matter, facts and issues involved, the number of witnesses and days of hearing, the seniority and reputation of the solicitors and counsel engaged. In Malaysia, all the civil cases before the court cannot be presented by the parties themselves, in fact only an advocate and solicitor of the High court of Malaya and the High Courts of Sabah and Sarawak may represent the litigating parties. Therefore, it is compulsory for the parties to appoint a lawyer on their behalf and spent the professional fees in order to appoint the lawyer to act on their behalf before the Court proceeding.

Chapter 3

Methodology of the study

3.1 Introduction

This chapter will explain the method adopted by this research. In more details, every component involved in conducting this research is outlined includes, among others, the research methods, the research approach, the methods of data collection, the type of data analysis and the research limitations.

3.2 Research Method

In order to achieve the objective of this paper, a qualitative research method was held. Qualitative analysis results in rich data that will gives an in-depth picture on how invalidation proceeding is carried out in both IP office and IP Court. Therefore, it is particularly useful for exploring how and why the procedure been practicing such way.

3.3 Research Approach

Inductive research approach was adopted in this paper whereby the researcher begins with specific observation that is mainly used to produce generalized theories and conclusion drawn from the research. The reason for occupying the inductive approach was that it is most appropriate to collect data.

3.4 Data Collection Methods and Tools

Qualitative data sources include observation, interviews and questionnaire, documents and texts, and the researcher's impression and reactions [Ramesh Babu, 2008]⁹. Therefore, as per data collection method and tools of this research, both primary and secondary sources is used. Primary data are collected through interviews and case studies. In depth interviews were used. The interview is a mean of understanding the invalidation trial proceeding in Japan Patent Office and the invalidation proceeding at Intellectual Property Office. This paper critically aims at gathering bits of information received by conducting interview with an expert from Trial and Appeal Division, in order to understand the invalidation trial proceeding in IP Office and regarding the invalidation proceeding at the IP Court, the interview will be held with a Patent Attorney.

Interviewing of selected individuals is a very important method often used in qualitative method. The rationale for using the interview methods is to enable collecting their data, opinions and

expectations. The semi-structured questionnaire was used as an interview guide for the researcher whereby certain questions were prepared, the flexibility of the questionnaire is to guide the interview towards the satisfaction of research objectives, but additional questions were made encountered during the interview. The interview questions are listed below:

Questionnaire to Trial and Appeal Division of JPO

Design Invalidation at the IP Office

A. Invalidation Trial Officers

1. What are the qualifications of the design examiners in trial and appeal section in JPO?
 - i) Education level and course of study:
 - ii) Length of experiences (if any):
 - iii) Training /certificate /examination required:
 - iv) Others (please specify):
2. Currently how many examiners are dealing with trial and appeal system in JPO?

B. Invalidation Procedure

3. What are the most common grounds to invalidate a registered design in JPO? (please state the number of invalidity application based on the grounds available)

Ground	Number of case(s) (2017)
i. lack of novelty	
ii. Individual character	
iii. Others (please indicate)	

4. Under invalidity system in Japan, what is the common term use to challenge the validation of a design (if applicable any of below, please explain the scope of the terms use under Japanese system)
 - i. Invalidation -

- ii. Revocation-
 - iii. Cancellation-
 - iv. Nullification-
5. What type of invalidation trial can be requested in JPO? are the two applications below applicable in JPO? If yes, please explain:

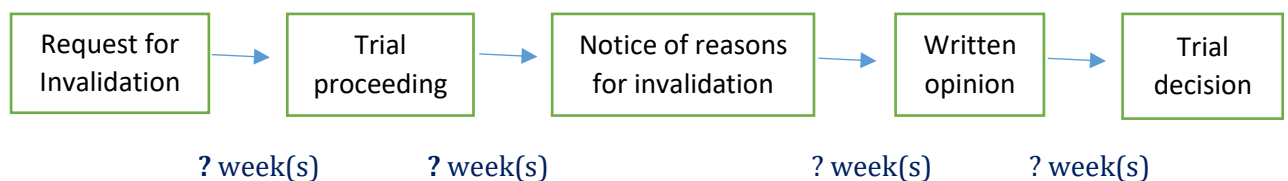
(i) application for determination of invalidity

(i.e. relates to absolute grounds for invalidity such as the appearance of the product does not constitute a design, lack of novelty or individual character, exclusion from design protection. Normally, anybody can file this application)

(ii) application for declaring of invalidity

(i.e. relates to relative grounds of invalidity such as works protected by copyright, registered design or distinctive sign with an earlier filing of priority date. Where the application can only be filed by the right holder concerned)

6. How long the invalidation process will normally take from the date of request for trial for invalidation?



7. In the invalidation procedures, does written submission is sufficient for the examiner to make decision or it compulsory to go through oral proceeding?
8. What is the documents required to submit in order to request for invalidation trial? Is there any filing Form in the Design Regulations?
9. Are there a complete set of invalidity manuals that is available for the public to access it?
10. Will the JPO's examiner get involved if there is an appeal to claim invalidity at the IP court?

Questionnaire to Patent Attorney

Design Invalidation at IP High Court

A. Proceeding

1. If a party is not satisfied with invalidation decision made by JPO, he may appeal the decision to IP High Court. Can you describe the appeal procedure at the court? (Please provide the flowchart if available)
2. Based on the procedure describe above, how long the process normally took? And how much the cost normally involved?

B. Eligibility and prescribed period for requesting an invalidation trial

3. Who can file invalidation appeal to the court and what is the requirements for the applicant?
4. Is there any time limit for applicant to file an invalidation appeal to the Court?
5. What is the common grounds use in design invalidation cases filed to the Court?
6. Based on the question above, does the case normally sought as part of defense in infringement case?

C. Statistic / number of cases

7. How many design invalidation cases have been brought before the court from last 5 years? (is there statistic or list of cases available?)
8. Can you highlight recent court case that maintain invalidation decision made by JPO and case that the court overturned decision made by JPO?

D. Decision

9. In order for a judge to make decision in design invalidation case, does expert opinion from JPO will be rely on?
10. In your opinion, either invalidation trial proceeding at the JPO or the IP High Court is more preferable to the applicant?
(by considering the cost, the length process, procedural and the effect of judgment)

< End of interview question>

As for secondary data, includes gathering data from library materials such as textbooks, both published and unpublished academic documents and journals, conference proceeding, and information gathered from internet search. Other sources include law Acts, Regulations, Examination Guidelines and Manuals also crucial to support the information especially in Chapter 2 and Chapter 4 of this paper. The Act and regulations is among important sources to refer to as the study dealt with the procedure of invalidation at the JPO that requires reference mainly to Patent Act and Design Act. Besides, regarding the examination practice, the Examination Manual or guidelines also necessary to understand the practice in Japan.

3.5 Data Analysis

Since this paper is a comparative study, content analysis was used to analyze the data which was gathered during interview and other secondary sources, so as to be able to be comparable. Content analysis is the best way to analyze the data as it gives the ability to researcher to structure the qualitative data collected in a way that satisfy the accomplishment of research objectives. The analysis includes data reduction, transcription of interviews, data display and conclusion drawing. The data gathered from interview will be arranged and analyze into comparison table. After making comparison, the data will be interpreted by finding the best practice to be suggest towards implementation of invalidation at Malaysia IP Office.

3.6 Research Limitations

However, there are some pitfalls as the limitations faced during this research is carried out is that inaccuracy or false information if the respondents do not see a value of this research or misunderstood based on the language efficiency between Japanese and English. This research is highly important towards the establishment of invalidation proceeding at Malaysia IP Office. Although ethics are an issue for any type of research when a respondent is a party to confidential information and as for every study is that in some cases, the respondent might not reveal all the procedures as laid down in the examiner's guidelines.

Chapter 4

Result and Analysis

4.1 Study data collected

4.1.1 Relationship between JPO and Courts

Relationship between JPO and Court in dispute relating to design invalidity can be describe into two forms which are firstly, request to determine the validity of a registered design through trial for invalidation and secondly, invalidation is used as a defense in the infringement lawsuits.

As for determination over the validity of a registered design, in Japan, the parties are required to file the request to JPO Trial and Appeal Board at first instance. In this matter, the lawsuits only will take place if the parties are not satisfied with the decision made by Trial and Appeal Board of JPO, then they could appeal the decision made by JPO to the IP High Court at the second instance. Therefore, the jurisdiction of IP High Court in Japan is only to revise whether decision made by Trial and Appeal Board of JPO is appropriate or not. IP High Court may decide either to maintain or overturned the decision made by JPO.

However, the situation is slightly different when the question of validity is used as a defense in an infringement lawsuit. In this case, the parties in disputes can straight away bring the case before District Court at first instance and if they are not satisfied with the decision made by District Court, the parties may appeal to the High Court.

The relationship between JPO and Court in dealing with disputes relating to invalidity of a registered design is clearly illustrated in the diagrams below [JPO, 2018b]:

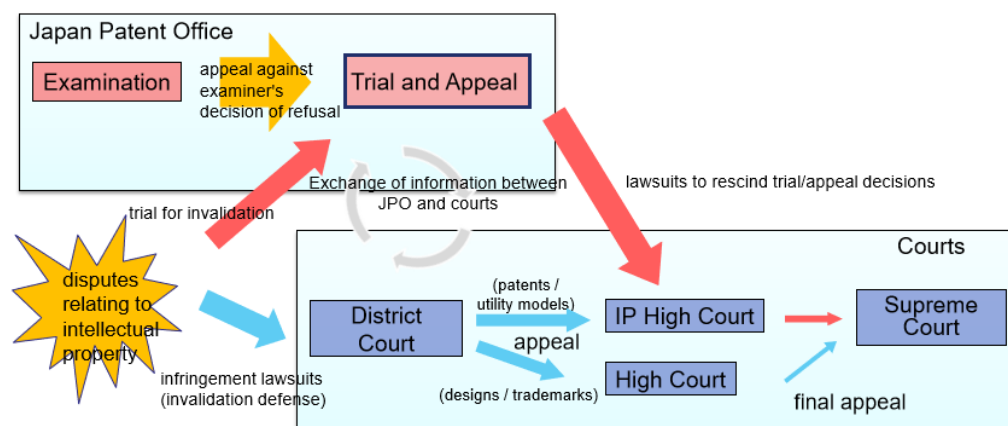


Figure 13: Relationship between JPO and Courts

4.2 Making comparison between Japanese and Malaysian system

In order to achieve the objective of this study, the comparisons are made into two scopes over design invalidity firstly, comparison between Japanese Design Law and Malaysian Industrial Design Act 1996 and secondly, comparison between invalidation procedure at JPO and IP High Court.

4.2.1 Comparison between Japanese Design Law and Malaysian Industrial Design Act

Under Japanese Design Law, the term use in prescribing the issue over validity of registered design is 'Design Invalidation Trial'. As mentioned earlier in Chapter 2, design invalidation trial is prescribed in Article 48 until Article 52 [*"Japan Design Act"*, 2016] even though some provisions under Japanese Design Law applied *mutatis mutandis* with Japanese Patent Law. Whilst in Malaysia, the provisions related to the dispute over the validity of a registered design is stipulated under Section 24 and Section 27 of [*"Industrial Design Act"*, 2015]; whereby the terms refer to this procedure is called as Request for Revocation or Rectification.

(a) Invalidation and Revocation

It is important to highlight the difference between the term used between the system in Japan and in Malaysia in order to make sure how the system work between each country. In Japan, the term "Invalidity" is used in order for a party to request to the JPO over the validity of a registered design. Once the JPO make decision over the invalidity issue, the unsatisfied party may appeal to the IP High Court to revoke the decision made by JPO. Thus the term revocation is used during the court proceeding. However, in Malaysia the term used as mentioned under Malaysia Industrial Design Act are revocation and rectification if a party intent to request to the court or to the Registrar over the validity of a registered design.

(b) Patent Office Role and Court Role

All dispute over the validity of a registered design must first go through the JPO to determine. If the party unsatisfied with the decision made by Appeal and Trial Board of JPO, he or she may appeal by filing lawsuits against the JPO's invalidation decision. Therefore, we can draw the line clearly between the role of JPO and IP High Court where the JPO will determine validity of a registered design and the Court will revise the decision by JPO.

The comparison between Japanese Design Law and Malaysia Industrial Design Act may be simplified into the Table 3 below:

Table 3: Comparison between Japanese Design Law and Malaysia Industrial Design Act

SUBJECT	JPO	MYIPO
TERMS	<u>Trial for Invalidation may be demanded</u> to the Commissioner of JPO (Article 48 Japan Design Law)	<u>Request for Revocation or Rectification</u> may be made to the Court or to Registrar of Industrial Design. (Section 27 and Section 24 of Malaysia Industrial Design Act)
FEES	¥55000	RM600 (around ¥16000)
FORMS & DOCUMENTS	Form 13 + Evidence (51-07 Manual for Trial& Appeal 17 th ed)	ID Form 6 + Evidence (Regulation 27 Malaysia Industrial Designs Regulations)
WHO MAY APPLY (Article 48(2))	Any Person Right Owner (only under grounds fall under Article 48(1)(i) and Article 48(1)(iii))	Any Person Right Owner (only for grounds under Section 27)
GROUND	<ul style="list-style-type: none"> i. Invalidation on design that Violation of novelty & creative difficulty (requirements under Art. 3 & 3bis (3-2)) ii. Invalidation unregistrability requirement against public morality (Art. 5) iii. Violation of prior application (Art. 9(1)(2)) iv. Related design for which design registration was filed (Art. 10(2)) 	<ul style="list-style-type: none"> i. Revocation of the industrial design if it not new or has been disclosed to the public (requirements under Section 12) – Section 27 ii. Rectification of Register for any entry wrongly remain, entry without sufficient cause, including or expunging such entry or correcting such error) –Section 24 iii. Cancellation of the registration on the ground that the design is procured by unlawful means – Section 27

	<ul style="list-style-type: none"> v. Design that is similar only to related design (Art. 10(3)) vi. Violation of joint application (Art. 38 PA mm DA Art. 68(3)) vii. Violation of enjoyment of rights by foreign nationals (Art. 25 PA mm Article 68(3) DA) viii. Violation of treaty (Art.48(1)(iii)) ix. Design granted to a person who has no right to obtain the design registration (Art. 48(1)(iii)) x. Violation of enjoyment of rights by foreign nationals occurring after the grant of registration (Art 48(1)(iv)) 	
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4.2.2 Comparison between invalidation procedure at JPO and IP High Court

Another comparison made in this paper is relating to the procedure between JPO and IP Court over the issue of invalidity. The comparison made is to identify what is the jurisdiction between the two bodies; is there any overlapped in the system as well as to figure out the effectiveness of the system practice in Japan. The parties cannot straight away bring the dispute over the validity of registered design to the IP High Court as they must bring the dispute to the JPO first. Whilst in Malaysia practice, the parties may choose either to bring to Registrar first or straight away bring the dispute to the court to determine the validity of a registered design.

Besides, relates to the objective of the paper, among the problems faced by the interested parties in Malaysia over the validity issue is that the procedure in court is costly, more complicated and take longer time. Therefore, the outcome from the comparison in this scope based on Japanese experience may be helpful to see the effectiveness of having the invalidity procedure at the IP Office as the first instance procedure.

The comparison between invalidation procedure at Japan IP Office and Japan IP High Court is mentioned in the Table 4 below:

Table 4: Comparison between invalidation procedure at Japan IP Office and Japan IP High Court

NO.	SUBJECT	JAPAN IP OFFICE (JPO)	JAPAN IP HIGH COURT
1.	PENDENCY	Average 9.6 months	Average 6 to 7 months
2.	COST	¥55,000 + Attorney fee (Around ¥300,000)	¥19,000 + Attorney fee (min ¥1,127,000)
3.	FUNCTION	Determine the validity of design registration	Revise invalidation decision made by JPO
4.	REQUEST TIME	At any time after design registration	Within 30 days after party received JPO's original decision made by JPO
5.	EFFECT OF JUDGEMENT	JPO can invalidate the design in the Register by themselves	Court cannot invalidate the design in the Register (parties need to refer to JPO)
6.	ORAL PROCEEDING	Optional	Compulsory
7.	REPRESENTATIVE	Parties can file and attend oral proceeding by themselves	Parties can file and attend oral proceeding by themselves
8.	APPEAL	Parties may appeal to IP High Court	Parties may appeal to Supreme Court
9.	DECISION MAKER	Trial and Appeal Examiners (also called as Administrative Judge)	High Court Judge
10.	EXPERT OPINION	Administrative Judges themselves was appointed from examiners who are specialized in design field and well experienced	Judge may request expert opinion from JPO or others if needed
11.	NUMBER OF JUDGES	3 or 5 Administrative Judges will decide the matters	2 Panel Judges or 5 Grand Panel Judges will decide the matters 3
12.	PROCEEDING NAME	"Trial for Design Invalidation"	"Suits against Trial Decision made by JPO"

4.2.3 Statistic of application and related court cases

The number of invalidation cases request to Trial and Appeal Board in Japan is not so many. As in 2017, there are 33 grounds were filed to JPO and the most common grounds are violation of the Design Act on the grounds of creative difficulty and lack of novelty. Sometimes, in one request for invalidation the parties may claim few grounds. The numbers of invalidation trial at JPO and IP High Court in the year 2017 is shown in the Figure 14 below:

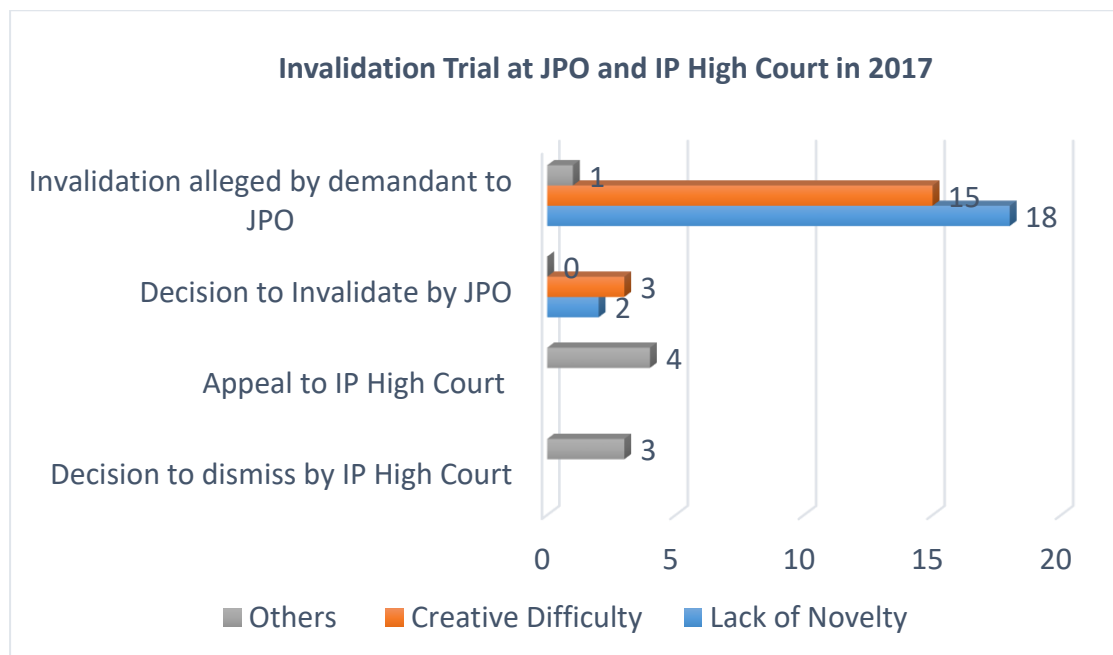


Figure 14: Statistic for Invalidation Trial at JPO and IP High Court

Regarding the appeal for invalidation of decision made by JPO to IP High Court, the number is very few. As for the year 2017, only 3 cases are brought to the IP High Court and the decision is made by IP High Court is maintained the decision made by JPO. Since 2008-2017, only 19 cases brought before IP High Court but only 2 cases that the IP High Court overturned the decision made by JPO in 2008 and 2009 each. Based on the statistic, it shown that overall of the invalidation appeal case at IP High Court is maintained the decision made by JPO. The number of invalidation appeal to the IP High Court and the number of cases dismissed and reverse by IP High Court is shown in the Figure 15 below:

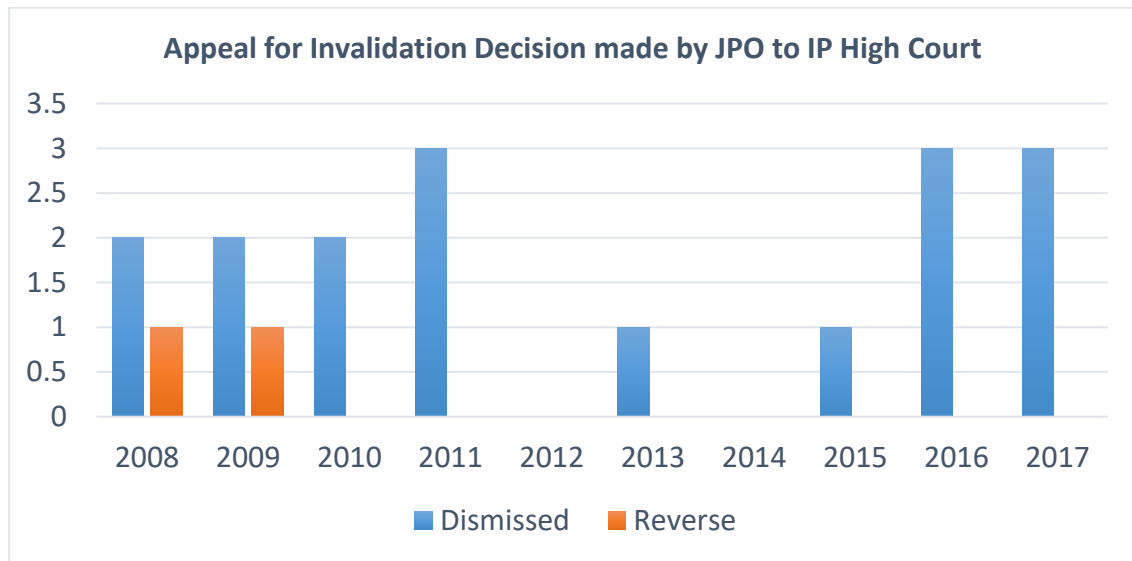


Figure 15: Statistic for Appeal for Invalidation Decision made by JPO to IP High Court

Based on the statistic above, it shown that, most of the invalidation appeal cases at the IP High Court is maintained the decision made by JPO. Professor Aoki pointed out that the effectiveness of invalidation trial system at JPO can be measure through the number of IP Court decision that overturned the decision made by JPO as the less overturned decision by IP High Court, the more effective JPO's invalidation trial system. Secondly, as for the number of invalidation appeal at IP High Court is only a few, Professor Aoki in the opinion that the number may contribute by certain reasons whereby, from the beginning number of design registration at JPO is not big, besides, in many cases, parties tends to be satisfied with the decision made by invalidation trial at JPO.

Another contribution to the least number of design invalidation cases is the design rights tends to be very short life cycle, therefore spending more time throughout court procedures seems to have no value and not meaningfulness. Thirdly, the number of invalidation trial request at JPO also a few due to the reason that the examination done by substantive examiners are effective therefore very small number of error occurred. Besides, the existing of '*double layer system*' itself already reduce the number of invalidation cases whereby the substantive examination is done prior registration which the examiner is doing their utmost effort to examine the registrability of the design before grant the registration. Unless if the examination conducted on formality requirements per se, then we could predict the number of invalidation at IP Office will be higher because there is no substantive examination conducted prior registration.

4.3 Lessons derived from interviews and data collection

Based on the 2 scopes of comparisons as discussed above, the finding revealed that there are many importance and benefits of implementing invalidity procedure at IP Office. The benefits are:

i) Less cost

Parties may file by themselves to the JPO and the fee is cheaper if they do not involve representative i.e. an Attorney to act on their behalf. Even though the parties appointed an Attorney in the invalidation procedure, the professional fees charged for the procedure before JPO is cheaper if compared to the professional fees charged for the procedure before the Court.

ii) Decision made by professional

Invalidation procedure at JPO is conducted as a quasi-judicial proceeding, which require higher level of fairness similar to that required in judicial proceeding. JPO decision is made based on specialized examiner in the design field, technical knowledge possessed by JPO trial and appeal examiners.

iii) Filing procedure at IP Office is easier and simpler than the court procedure

The submission of documents is simpler which includes the request form and documents of evidence. The filing is subject to formality examination to make sure all the documents furnished to the Trial and Appeal Board are sufficient.

iv) Preliminary process is done by administrative body instead of administrative body

Before proceed with the decision of invalidation trial, the panel of administrative judge may re-conduct search over the grounds of novelty or similarity. Therefore, the decision made by the panel will be more efficient and satisfactory to both parties in dispute. However, this procedure will not have happened in IP High court as the decision made will be based on the facts and documents produced by the parties in dispute. The court will only determine whether decision made by JPO is right or wrong or whether to maintain the decision made by the JPO or to overturn the decision made by JPO.

v) "Double Layer System"

This so called Double Layer System is found where even though the substantive examiner had done their utmost effort to conduct thorough novelty search into all database available in JPO but the invalidation trial is still practice by the same body i.e. JPO. This practice at one side shown that there is double examination done by the same body. If comparing to the other

system from different countries, the introduction of invalidation is widely practice to the country who only carried out formality examination in the design registration procedure such as European Intellectual Property Office (EUIPO) and United Kingdom Intellectual Property Office (UKIPO). Since there is no substantive examination carried out by those countries, they implement invalidation at the IP Office in order to allow the parties to request to the IP office to determine if there is the dispute over the validity of the registered design.

However, based on practice in Japan, the registration procedure includes a thorough substantive examination and in top of that they also implement invalidity procedure at the IP Office which is now can be referred to as a “Double Layer System” This is classified as one of the important finding in this paper whereby the Double Layer System is very useful to support the best decision making on invalidity dispute in Japan. This system is considered effective and meaningful system in Japan due to the following reasons:

- i. It is introduced to rectify substantive examiner’s error during examination stage, mainly due to huge volume of database available in Japan, the substantive examiner may overlook in conducting the search which bring to the request filed by parties for invalidation on the grounds of similarity or novelty of the registered design.
- ii. This system could increase efficiency of JPO’s substantive examination and granting the registration of a design as well as improve the skill of substantive examiner in conducting the search. This is because, all the decision made by Trial and Appeal Board in invalidation cases will be shared with Examination Department and exchange opinion on how such cases occurred and how to prevent such cases to happen again of the decision made by substantive examiner is based on their error or lack of experienced and skill.
- iii. This system is considered as one of steps taken by JPO to make sure the quality assurance over the registration procedure.
- iv. As another reason that may contribute to wrong registration to the design is due to lack of time for the examiner to carry out a thorough search. Each examiner also binds with a limited time frame in order to fulfilled the search for each design application, thus, this system is useful to rectify the mistake occurred.
- v. This system is a preliminary process before referring to the court because the decision made by specialized and well-experienced trial and appeal examiner is more appropriate to determine the issue rather than straight away bring the dispute to the judiciary body to determine the dispute over the validity of a registered design.

Apart of having the effective invalidation system in Japan, JPO is actively doing their best to improve their existing invalidity system. Among efforts¹⁰ done by JPO are:

i) Understanding and analyzing the trend in Court decisions

To conduct appropriate invalidation trial proceeding, JPO analyzes and share any decisions made by court relating to the issues on validity of a registered design. From that, JPO may improve the examination guidelines to be more effective and relevant to current trend. This practice can be looked into the landmark case of Supreme Court decision for the design of Noodle Cup [JPO, 2006] questioning whether the letters appeared on the product may be considered a registrable design. In this case, the High Court overturned the decision made by Trial and Appeal Boards of JPO that the design should be invalidated from the Register.

However, the registered owner appealed to the Supreme Court and the Supreme Court affirmed the original decision by the Tokyo High court. The judgment by the Supreme Court ordered that the practical guidelines take the form of Design Examination standards¹¹ should be revised where this decision sets a standard for fundamental concepts in that guidelines verified that letters, as a means of communication and could not become an object of design.

ii) Efforts towards timely and reliable Trial and Appeal Decisions

The JPO put goals to achieve in FY2018 to expedite the length of making trial and appeal decision by reducing the pendency period in Design Trial for invalidation proceeding from 8 to 10 months to 7.7 months.

iii) Improve contents of trial and appeal proceeding and utilizing external knowledge

In trial for invalidation, oral proceeding is recommended to be conducted in all cases in principle, except for those cases where all parties requested documentary proceedings. Besides, the JPO also invited former judges and academic experts who have sufficient experience in the IP fields as Executive Legal Advisers on Trial and Appeals. Executive Legal Advisers are responsible in giving advice on advanced legal issues as well as teaching at training sessions.

iv) Promotion of Circuit Trials and Appeal On-Site interview

¹⁰ Based on the information provided in JPO Status Report 2018 available at

¹¹ From page 13 Design examination standards on 'Lettering or labels visible on all item' requirement.

For conducting interview in more convenience way, the trial panel may visit local regions of the parties such as companies or universities at their request to conduct circuit trials for purpose of oral proceeding in invalidation trial or On-Site Interview for which aimed at facilitating communication on trial and appeal proceeding. The JPO also offers video conference interview to facilitate communications between the panel and the parties to support regional users. This method was successfully done for Patent, Trademark and Design cases in 2017 for 35 circuit trials and appeal, 19 on-site interviews and 4 video conferences.

v) Increase awareness through Mock Oral Proceeding during Seminar

Time to time throughout the year, the JPO will organized seminar or symposium in order to give awareness about the oral proceeding and to give better understanding to the stakeholders and public about the invalidation trial procedure. The JPO organized mock oral proceeding to improve the current oral proceeding and to promote circuit trials as well as to disseminate and raise awareness of the trial and appeal system.

4.4 Appointment of Trial and Appeal Examiner

In Japan, the officer who involve in making decision and examination for invalidation application is called as administrative judge. Even though the term might be vary from one country to another, the main role and objective of that officer is to determine the dispute over the validity of a registered design. Based on practice in JPO, there are several conditions for an examiner to be appointed as an administrative judge (trial examiner) firstly by looking into qualification possessed by the examiner.

To become a design examiner, a person must take and pass an “Examination for Design Examiners at JPO” under category of Industrial Designs, which corresponds to “National Civil Service Examination for Regular Positions” (for university graduates) conducted by the JPO. In fact, the design examiners and assistant design examiners who now serve at the JPO majored in a wide variety of courses at universities, not only designs, but also fine arts, architecture, mechanical engineering, education, human life and science, environmental science and information, library and information science, etc. After being hired as assistant examiner, that person has to accumulate for at least 4 years’ experience and has to attend a various training program and upon completion of that he or she will become a substantive examiner.

According to the Article 5 of [“Ordinance for Enforcement of the Patent Act” [OEPA], 2018], the appointment of the administrative judge shall be made upon consideration of the examiner’s performance review. Secondly, he or she shall serve as a design examiner at

the JPO for at least 5 years, Article 4 [OEPA, 2018]. The design examiner in this context is referred to design substantive examiner which may come from various fields not limit to design field only but also includes to field of arts, architecture. Mechanical engineering and so on. The third conditions for an examiner to be an administrative judge in Trial and Appeal Board of JPO, he or she must have completed specific training course provided by National Center of Industrial Property Information and Training (INPIT).

The required training is Training Course for Examiner that include Patent Act, Design Act, Trademark Act, Intellectual Property Treaties, IP Examination Practice as well as on the job training activities. Another training is Training for Administrative Judge whereby the topic covered all the act and treaties related with Intellectual Property Law, Civil Procedure, Trial and Appeal Practice as well as on the job training. The trainees are required to take tests on some of these subjects.

Once the substantive design examiner fulfilled the conditions as mentioned above, they might be considering to be appointed as an administrative judge at the JPO. Currently there are total number of 10 administrative judges who are dealing with both Trial and Appeal for Design matters.

Regarding the responsible of the invalidation officer, based on practice in the JPO, the invalidation officer is independent from the decision made by substantive examiner. In this case, if there is request for invalidation, the administrative judge after received the documents of evidence from the parties, he or she may re-examine the industrial design to make sure the decision made is accurate and satisfied the parties in dispute.

Chapter 5

Implications and the Recommendations to IP Office

5.1 Discussion possible implications towards the introduction of invalidation procedure to be held in Malaysia IP Office

Towards the implementation of invalidation at the IP office, there is necessity to look into the possibility of any implications that might effect to the current system. Apart of the benefits of having the system at the IP office as discussed in the previous chapter, the system should get the respond and feedbacks from the stakeholders as well as relevant parties before proceed. However, since the provisions and regulations already exist so far in the current Malaysia Industrial Design law, the system may need to look into improvements for better implementation.

5.2 Recommendations towards implementation of invalidation system in Malaysia

Considering to the provisions under the Act and the experience by Japan, there are few recommendations may be suitable to be adopted in order to improve the revocation and rectification system in Malaysia. I divided the recommendation into two parts which are:

- i. Recommendations towards the improvement to the provisions in the current Act.
Regarding the term use under the current Act the words describing the act relating to the dispute over the validity of registered design are rectification, revocation and cancellation. Those terms may be improving to be standardize into one word only such as “invalidation” or “nullification”.

Besides, the provisions for rectification and revocation was stated under two different provisions i.e. Section 24 and Section 27. The provisions could be improving by combining the two provisions under one Section only. Furthermore, to provide clear provisions between the power of Court and the power of Registrar to decide over the dispute of validity of registered design

- ii. Recommendation towards the implementation at Malaysia IP Office such as appointment of invalidation examiner, introduce the invalidation guidelines and provide sufficient training to the invalidation examiner in order to be fully understand the procedure in dealing with invalidation matters.

As regards to the appointment of invalidation examiner, the practice done by Japan is suitable to adopt due to the proper requirements and skills needed to be in that position. Besides, since the implementation of invalidation at Malaysia IP Office is consider new, the sufficient training is necessary for the invalidation examiners to

make sure he or she well versed about the procedure of invalidation and have sufficient knowledge to prepare written decision.

The Figure below briefly shown the flow that may be useful towards implementation of invalidity system at Malaysian IP Office.



Figure 16: Recommendation flow towards implementation at Malaysia IP Office

CONCLUSION

Based on the finding, it is shown that implementation of Invalidation Trial at JPO could bring more benefit firstly, to the parties who in disputes over the validity of design registration they could find avenue with less cost and simpler proceeding if compared to the Court proceeding, secondly, for the examiners it could help to improve their skills and experience, and thirdly for IP Office it could contribute towards effective decision making in registration.

As for Malaysia, towards the implementation of invalidation system at the IP Office, Japanese experience in handling invalidation trial system is worth to learn. As a beginner, it is important for Malaysia to determine which aspects should be adopted based on Japanese invalidation system as long it suits with Malaysian practice and need.

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APIC, December 28th. 2018

Dhiya Durani Zulkefley
Malaysia

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Appendixes

Minutes of the interview

First Interview

Research Theme: Industrial Design Invalidity: A Comparative study between Malaysia and Japanese Trial and Appeal System

Interviewee: Mr. Tsuyoshi Fujimoto
Trademarks and Design Department
Patent & Trademark Attorney (Sugimura & Partners)

Invalidation at IP High Court: Patent Attorney Perspective

A. Proceeding

1. If a party is not satisfied with invalidation decision made by JPO, he may appeal the decision to IP High Court. Can you describe the appeal procedure at the IP High court? (Please provide the flowchart if available)

Interviewer: I try to search some of the information from the website but I couldn't find the information and sometime court cases available in the website but not in English version and does not include the latest cases.

Interviewee: Especially Japanese court does not publish English data or English material, so it is quite hard.

Interviewer: Regarding the first question it is stated in the flowchart from JPO that if any parties not satisfied with the decision for invalidation trial by JPO they can appeal to the High Court but not District Court or whatsoever. So I want to know the court procedure started from filing until decision.

Interviewee: So you mean the procedure at the IP High Court right, here is it but it is in Japanese. It is download from website of IP High Court but I couldn't find English version. So I will try to explain. The IP procedure at the IP High Court in the field of design and trademark is very short, maybe after filing the lawsuit, there maybe one or 2 hearings only then after that the judgment will be issued.

Interviewer: then the filing is through originating summon or what kind of document required?

Interviewee: Document by Written argument and evidence and maybe one or 2 times.

Interviewer: is there required witness or expert opinion or maybe opinion from others?

Interviewee: Plaintiff submit written argument or evidence or through written opinion by specialized of design. But it very rare in the field of design. But in patent for example the

professor from university's opinion. Sometime main point of lawsuits is legal matters, in that case, professor from university in Law Faculty will contribute legal opinion and articles related to legal matters.

<Below is the flowchart translation of the court procedure at IP High Court as provided by interviewee. It is appeals against JPO decision at IP High Court. The sources of the flowchart are available in Japan IP High Court website>

Proceedings of Suits to Seek Rescission of JPO Appeal/Trial Decisions (on Trademarks and Designs) at the IP High Court

In most suits to seek rescission of appeal/trial decisions made by the JPO (on trademarks and designs), proceedings are conducted on dates designated for oral argument.

The progress of proceedings depends on the circumstances of each case. After a complaint is filed with the court, the division in charge will give specific instructions to the parties. For reference, the flow of proceedings that may usually take place is shown below.

<If the parties are to prepare their own allegations and proof by the first date for oral argument>

1. Designation of date



The parties are required to submit the following by the first date for oral argument (the deadline for submission should be strictly observed).

Plaintiff	Defendant
By the deadline specified in a written inquiry (about two weeks after the filing of the complaint) Basic documentary evidence Description of evidence	Promptly after the service of the complaint Written answer
By the deadline specified by the court (about six weeks after the filing of the complaint) Plaintiff's brief stating the grounds for rescission Evidence including documentary evidence	By the deadline specified by the court (about four to six weeks after the deadline for submission of the plaintiff's brief) Defendant's brief stating counterargument Evidence including documentary evidence

Description of evidence	Description of evidence
-------------------------	-------------------------

(Deadlines for submission of other documents, such as the plaintiff's brief stating counterargument against the defendant's counterargument, are specified as needed.)

2. First date for oral argument
Arrangement of allegations and evidence
Designation of the date for conclusion of oral argument and rendering of judgment



(Proceedings for oral argument may be continued if further allegations and proof are necessary.)

3. Rendering of judgment (the parties' appearance at the court may be omitted)

An authenticated copy of the judgment is served upon the parties at the court clerk office of the division in charge (it may be sent by post to a party who is in a remote place).

<If the parties are to prepare their own allegations and proof regarding the plaintiff's grounds for rescission of the JPO appeal/trial decision by the first date for oral argument>

1. Designation of date



The parties are required to submit the following by the first date for oral argument (the deadline for submission should be strictly observed).

Plaintiff	Defendant
By the deadline specified in a written inquiry (about two weeks after the filing of the complaint) Basic documentary evidence Description of evidence	Promptly after the service of the complaint Written answer

<p>By the deadline specified by the court (about six weeks after the filing of the complaint)</p> <p>Plaintiff's brief stating the grounds for rescission</p> <p>Evidence including documentary evidence</p> <p>Description of evidence</p>	
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2. First date for oral argument
Arrangement of allegations and evidence
Designation of the deadline for submission of the defendant's brief

(Deadlines for submission of other documents, such as the plaintiff's brief stating counterargument against the defendant's counterargument, are specified as needed.)

After the first
date for oral
argument

By the deadline specified by the
court
(about four to six weeks after the
date for oral argument)

Defendant's brief stating
counterargument
Evidence including
documentary evidence
Description of evidence

3. Second date for oral argument
Arrangement of allegations and evidence
Designation of the date for conclusion of oral argument and rendering of judgment

(Proceedings for oral argument may be continued if further allegations and proof are necessary.)

4. Rendering of judgment (the parties' appearance at the court may be omitted)

An authenticated copy of the judgment is served upon the parties at the court clerk office of the division in charge (it may be sent by post to a party who is in a remote place).

<Notes>

The above charts show examples of the flow of proceedings in suits to seek rescission of JPO appeal/trial decisions (on trademarks and designs) at the IP High Court. Proceedings are not standardized for each type of suit but may be dependent on the circumstances of each case.

The deadlines for submission of documents indicated above are estimates and they are specified separately for each case.

2. Based on the procedure describe above, how long the process normally took? And how much the cost normally involved?

Interviewer: and as for the decision, usually how long the judge will make decision

Interviewee: it depends on case, but average on 6 months from the date of filing to the court. This is the graph, average time frames 9 months but this number based on the patent and trademark and design cases maybe on design cases (combined together) only is less than 6 months. This graph can be download in IP High Court website, include in English version.

Interviewer: and what about the cost?

Interviewee: official fee is only 19000 yen and pus attorney fee. I cannot find the statistic about it. But in 2006 PAA collect questionnaire form Japanese trademark and patent attorney regarding the attorney fee on filing the patent and design application. And in IP high court case in the field of patent. Maybe in design case is lesser then patent. average is about USD 10,000 (minimum for Attorney fees) This is statistic in 2006. It very old. If I represent for client to file lawsuits, maybe I charge about USD10,000.

B. Eligibility and prescribed period for requesting an invalidation trial

3. Who can file invalidation appeal to the court and what is the requirements for the applicant?

Interviewer: who can file the appeal to the court? Is there anyone can?

Interviewee: only parties to the trial. IP High court they consider JPO's decision. So the participants from JPO's procedure can only file the appeal before the court. No specific requirements as stipulated under Patent Act, Article 178. Second paragraph.

Interviewer: if there is intervene by other party is it possible?

Interviewee: it's not allow other party involved.

4. Is there any time limit for applicant to file an invalidation appeal to the Court?

Interviewee: its 30 days from receiving original of JPO's decision.

Interviewer: the decision will be gazette or publish?

Interviewee: yes, published. But the date calculated from receiving the original decision where JPO will send the original decision in paper based to the parties concerned with the JPO's procedure. The parties must file appeals before the court within 30 days after receiving. It very severe time for the party. First plaintiff files the requests to lawsuits after 30 days, then the plaintiff can add some written argument and documents. The time limit is to file the filing request to the lawsuits.

5. What is the common grounds use in design invalidation cases filed to the Court?

Interviewer: it is novelty and non-obviousness/non easiness of creation. it called in USA not obviousness. It is very major grounds. If my client filing invalidation trial, we seek in Japanese gazette, US, China, we will file invalidation request by novelty requirements and non-obviousness grounds.

6. Based on the question above, does the case normally sought as part of defense in infringement case?

Interviewer: so other than the grounds, the other request to the court is based on infringement case?

Interviewee: Yes, in japan, defendant can claim invalidation in infringement case. the defendant can be filing request for invalidation trial before JPO at the same time the defendant can counterclaim of the invalidation of the design right.

C. Statistic / number of cases

7. How many design invalidation cases have been brought before the court from last 5 years? (is there statistic or list of cases available?)

	当事者系の審判 *2 Request for Trial					異議	
	特許	実用新案	意匠 design	商標		特許	商標
2008年	196	5	6	72	2008年	0	3
2009年	180	2	6	86	2009年	1	5
2010年	155	0	2	50	2010年	0	0
2011年	165	5	2	47	2011年	0	4
2012年	172	3	6	71	2012年	0	6
2013年	120	2	0	52	2013年	1	1
2014年	115	0	0	34	2014年	0	1
2015年	117	2	2	40	2015年	0	1
2016年	109	6	4	39	2016年	3	8
2017年	107	3	4	45	2017年	11	2

* 1 : 拒絶査定不服審判、補正却下不服審判

* 2 : 無効審判、取消審判、訂正審判 trial for invalidation, trial for rescission, trial for correction

(2) 判決結果

	査定系の審判 *1					
	特許		意匠		商標	
	請求棄却	審決取消	請求棄却	審決取消	請求棄却	審決取消
2008年	128	26	5	7	12	4
2009年	84	40	3	3	14	1
2010年	96	26	1	0	14	5
2011年	104	26	2	1	8	13
2012年	113	37	9	7	13	7
2013年	101	35	2	0	16	1
2014年	83	21	13	1	15	0
2015年	47	16	4	0	17	1
2016年	48	11	1	13	12	3
2017年	42	8	4	4	10	1

	当事者系の審判 *2 Request for Trial					
	特許・実用新案		意匠 design		商標	
	請求棄却	審決取消	請求棄却	審決取消	請求棄却	審決取消
2008年	85	31	2	1	21	11
2009年	79	29	2	1	45	16
2010年	71	27	2	0	45	18
2011年	77	27	3	0	22	5
2012年	76	32	0	0	33	19
2013年	79	27	1	0	37	15
2014年	51	37	0	0	13	5
2015年	48	30	1	0	17	14
2016年	54	23	3	0	23	9
2017年	58	36	3	0	27	10

	意匠 Design			
	Number of Requests 請求件数	審判部最終処分件数		
		請求成立 (含一部成立)	請求不成立 (含却下)	取下・放棄
2008年	22	12	15	6
2009年	15	6	8	0
2010年	20	8	4	0
2011年	16	11	4	2
2012年	14	11	7	3
2013年	20	0	4	1
2014年	19	6	9	2
2015年	11	4	5	3
2016年	26	13	11	5
2017年	14	4	15	5

	商標			
	Number of Requests 請求件数	審判部最終処分件数		
		請求成立 (含一部成立)	請求不成立 (含却下)	取下・放棄
2008年	142	72	88	14
2009年	144	85	98	23
2010年	118	39	70	14
2011年	113	39	59	9
2012年	117	45	76	16
2013年	96	37	53	10
2014年	115	38	32	15
2015年	102	37	59	19
2016年	92	43	52	8
2017年	92	29	45	15

Interview: Under JPO annual report they didn't divide the case based on the grounds.

Interviewee: Lack of novelty, non-obviousness or against the first to file systems. It's a combined data. Honestly speaking, design invalidation cases is very few in Japan. For example, then number in JPO invalidation trial cases for Last year, only 4 cases.

Interviewer: Out of 4 case in JPO, is there any of cases filed to the court?

Interviewee: 4 cases was requested before Court about design invalidation cases. The case decision is available at IP High Court website

Interviewer: they upload instantly or will take time?

Interviewee: need sometime around 2-3 months. There is latest case, last month case already uploaded and it is Japanese. This is High Court website; it provides English summary of the cases. Invalidation case is very few and the rest is appeal decision by JPO. In IP High Court maybe not provide English summary in all cases. Only famous cases they will provide English translation judgement.

8. Can you highlight recent court case that maintain invalidation decision made by JPO and case that the court overturned decision made by JPO?

Interviewee: This data is a judgement of IP High Court and about these 10 years for example last year 2017, the court supports the JPO decision, in all cases. Plaintiff failed in all cases. The decision was not overcome at the High Court. In this last 10 years the plaintiff cannot overcome the JPO's decision at the Court.

Interviewer: as shown in the statistic, the number showed that the court overturned the decision made by JPO in 2009. Therefore, I could get the court's decision on that year.

Interviewee: I pick up one case, that maybe not really interesting but it was issued this February, very recently and this case is about a chopstick, to teach appropriate way to hold chopstick. This case a bit famous in Japan. The judgment is about trial case, but in other case, the right holder claims against the defendant in other case about copyright infringement case and unfair competition Prevention Act. The right holder claims design rights infringement and defendant counterclaim invalidation of design rights. Maybe in the infringement case, the plaintiff withdrawn the case. In infringement case, court did not find out about design right infringement but defendant but defendant file request for invalidation trial at JPO (at the same time, maybe). Sorry I didn't consider the time frame of the case, but JPO case and infringement case in proceed at the same time in this case.

Interviewer: is it possible to get translation of the case at least the parties involved and the main gist of the case, the grounds and decision made by the court?

Interviewee: I found the summary of the case available in the website (IP High Court website). Patent case is more priority; therefore, you can find more translation of Patent case in the website.

D. Decision

9. In order for a judge to make decision in design invalidation case, does expert opinion from JPO will be rely on?

Interviewee: no expert opinion. Under Japanese design act stipulated that court can request JPO to submit special opinion, it possible but I don't know any case that the court request the opinion. In Japan, appeal of invalidation cases at the IP High Court, the structure of the lawsuit is like infringement case, there is plaintiff and defendant, and the design right holder and the party who request invalidation trial before the JPO. JPO doesn't not participate in the court procedure by themselves. The court is considered parties to participate in court procedure or JPO procedure only. Invalidation trial in JPO the JPO play role as a court. They are neutral body. So pic of the trial filing written arguments and design right holder also counterclaim. That's all. JPO very neutral, and in IP High Court JPO will not participate directly. In design case, the court does not need technical background, so the judges do not consider technical opinion by JPO.

10. In your opinion, either invalidation trial proceeding at the JPO or the IP High Court is more preferable to the applicant? (by considering the cost, the length process, procedural and the effect of judgment)

Interviewer: based on my reading, it mentioned about the judges does not have technical background and knowledge about design for example, when they make decision they did not consider technical issue, different with JPO examiners did where they have experience, technical background and knowledge about such design, maybe decision made by the court is not 'reliable' 100%.

Interviewee: I think decision by JPO is preferable because it is less cost and faster/ shorter than court cases and of course IP High court can consider whether design right invalidated or not because in under Japanese design act, standard; for example, similarity of design is consumer, general consumer, so technical background is not needed. So IP High court can consider and examine directly the case because the judges also consumer. But especially for Japanese company, filing lawsuits is very significant event for them. For example, when they file request for invalidation trial before JPO, they can judge to request by themselves, for example IP division person in charge can judge to prior request in the trial before JPO by themselves. But they file lawsuits before IP High court they can't judge to file by themselves so for example, only director of the company can file on behalf of the members. So it very hard. Therefore, JPO procedure is very convenience and easy. Also JPO trial procedure, a part of civil procedure in Japan also apply in JPO trial procedure.

Interviewer: so, means trial done by JPO is also use the Civil code procedure?

Interviewee: yes. The system is very clear as court.

Interviewer: regarding the oral proceeding between JPO and High Court, in your opinion, which one is more convenient to the parties? As both need to submit evidence and written opinion to the parties.

Interviewee: I think JPO. I think difficult problem I think because the procedure is very similar between JPO and High Court and as I said, technical background in not consider in invalidation or not. But it much easier to have invalidation trial before JPO rather than filing lawsuits before IP High court in Japan. Lawsuits is very nervous for Japanese company. I think invalidation trial is very convenience for companies. Regarding effect of judgment, the JPO decision can cancel the registration however, IP High Court decision cannot cancel the design right itself, so under Japanese legal system, for example patent or design right can be cancel by JPO by themselves. For example, in infringement, IP court declares the design right is invalidating, but the declaration can bind the parties only. If the defendant wants to cancel design right they have to file invalidation trial before JPO. So It is very significant different.

Interviewer: so, once the decision made by the court, the court decide the design to be invalidated, the applicant need to go back to the JPO?

Interviewee: yes, need to go back to JPO. So only the JPO can exclude the registration from the Register.

Interviewer: because in Malaysia, once the decision of revocation made by the court so the plaintiff need to submit the court order to the IP office, so IP office will directly revoke/remove the design from the Register.

Interviewee: yes, it same in common law countries. In my experience, in India, if court declared revocation, IP office will automatically revoke the design from the Register. So this is not the case in Japan.

Comment: Human resource is very significance problems to introduce trial procedure so maybe you have senior examiner and they reexamine the application after the normal examination. I think it is not necessary to introduce invalidation trial, of course it convenience for Japanese company and for us.

Interviewer: what I was thinking is that to have invalidation not is a very strictly procedure by having judges with specific backgrounds and as a beginner for Malaysia to implement invalidation at IP office, it thinks a group discussion to determine the issue between parties and involve by senior examiner to determine the decision is sufficient. not like court procedure as how JPO trial did. That what I was planning right now.

Interviewee: JPO trial procedure id very similar to the court procedure. So after the invalidation trial, the plaintiff can file a lawsuit before high court not district court. Just because JPO procedure is similar to district court procedure.

Interviewer: but not for patent case right? for patent can start with District court right?

Interviewee: similar to patent case. In infringement case, the patent/design right holder must file lawsuit before the District court. But in other administrative case, first of all JPO consider design right is invalid or not and after that the participant of JPO can file lawsuit directly to IP High Court.

Maybe the problem is to examine the invalidation trial. In the JPO has very big human resource, in design field not really big but maybe enough human resource. For example, in trial of appeal procedure in JPO, 3-5 administrative judges will consider the case. Maybe 3 examiners but they can do it because they have enough human resource.

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Second Interview

Research Theme: Industrial Design Invalidity: A Comparative study between Malaysia and Japanese Trial and Appeal System

Design Invalidation in Japan: Academia Perspective

Interviewee: Associate Professor Hiroya AOKI
Osaka University
Graduate School of Law and Politics Department of Law and Political Science

A. Invalidation Proceeding

1. There are several terms internationally used in the system for settling disputes over the validity of design.

Other than invalidity, is there any terms below use in Japanese system, if yes, in which scope the terms are applicable?

- i. Cancellation**
- ii. Revocation**
- iii. Rectification**
- iv. Nullity**

Interviewer: This question is about terms which one that applicable under Japanese practice, whereby in Malaysia we used the terms of revocation, rectification and cancellation. The cancellation is where the design will be cancelled on the ground of fraudulent. The revocation is where the design is not new and for rectification is applicable for any ground whether it is not new, or not fulfill the definition of design we used allow this terms together that the applicant can used to apply for invalidation. That's why I raise this question whether this terms are applicable in Japan or not if it uses, in what scope does it use.

Interviewee: before I am answering let me ask one question, in Malaysia do you have design act, in which language design act in Malaysia is prescribed?

Interviewer: in English

Interviewee: First thing I would like to tell you is that in Japan, Japanese design act is prescribed in Japanese language. And there is no official English translation. Of course you can find in English translation and I'm sure such words maybe seems different in Malaysia but in Japan, only the words invalidation is use. Means in Japan, only invalidation process is defined that regardless of different grounds of invalidation whether it is lack of novelty or fraudulent of registration. No matter what ground of invalidation, only one single process is taking place that is invalidation trial. In Japanese patent act there's another process which is post grant opposition system however, this post opposition system does not exist under design act. So particularly for design there only need to take is invalidation trial.

Interviewer: so can I say that invalidation trial applicable to IP office and also to the court?

Interviewee: well it is related to the answer in Question no.2 but in Japan there is invalidation trial however it only handles at JPO and the person of interest cannot file for the trial to the court. Only the court is to review the decision that made in invalidation trial at JPO. And according to the review done by the court, if the court found that the decision made at the invalidation trial at JPO is inappropriate, the court can make judgment to overturned/ cancel the decision made by JPO. It means the court is not able to directly nullify the design right or invalidate the design right.

Interviewer: so I can whatever it is, the applicant must go to JPO first.

Interviewee: exactly. However, at the court in the proceeding of infringement, the litigation that defendant/ that the infringer can raise the argument on invalidity of the design right. So it holds as invalidation defense.

However, it just to deny that the establishment of design right/ the possible infringement but even the defendant does that so, it doesn't mean it directly goes to that invalidation of the said design. Exactly, it a counter argument.

2. Since in Japan the substantive examination is being carried out thoroughly and the invalidation trial at JPO is almost similar with trial at IP High Court, do you think invalidation trial proceeding at JPO is very important?

Interviewer: even though substantive examination is being carried out thoroughly, but the invalidation is still existing on the ground of novelty or similarity. So what do you think about this?

Interviewee: as you pointed out the JPO examiner making utmost effort to conduct thorough examination and particularly they have to consider the novelty and when the examine novelty they have to see the publicly known design or the similar design. However, the decision concerning the similarity is quite difficult and maybe of course the time is limited and maybe the capacity of the examiner is also limited under certain circumstances, even though as you pointed out they had the utmost effort for the possibility for the invalidation. So invalidation trial is the system as the safeguard. Even though there is inappropriate design turned out to be registered, they have invalidation trial system to prevent the inadequate of design right that is maintained.

Interviewer: I was thinking that maybe under design there's is no opposition like post opposition under Patent, that's why invalidation at IP office is important to review the decision made by the examiner.

Interviewee: you're right. As the case for patent that they have 2 different systems which are post grant opposition system and invalidation system, so you can consider that in the case of design that both systems are combined together under one single invalidation trial system.

3. In Japan, is there any overlapping between the invalidation trial proceeding at IP Office and IP High court?

Interviewer: regarding the proceeding between IP Office and IP court, it been said that the trial proceeding at the IP Office is almost similar with proceeding at IP Court, which involved the submission or written documents, statement of grounds and oral hearing before make decision. In JPO also involved formality examination to make sur the request fulfills the formality requirements then they will give the date and appoint the judge to make decision for the case, do you think there is overlapping between the proceeding at IP office and IP court?

Interviewee: yes, what you said is quite correct that the proceeding in invalidation trial the administrative judges will stand in between the parties where one party is intent to invalidate the rights and another party is a right holder. And the proceeding is taking place in a manner that can be said similar with proceeding at the court. However, the important different is t that the prescription in the constitution of japan states that concerning the interpretation of the law in japan cannot be done by the administrative body. The interpretation of the law should solely be done by the court. Even though we have such constitutional framework, we still have preliminary process taking place at the patent office regarding the invalidation trial because it is considering that the invalidation decision is to be made by the specialist or the expert in that particular field. If the parties are not satisfied with the decision made at the invalidation trial at JPO, that unsatisfied party can file the case to the court. That is, I consider it is effective and meaningful to have such double layer system in Japan.

B. Statistic / court cases

4. According to the statistic, the invalidation trial at IP High Court is very small. In your opinion, what is the main factor contribute to the small number of design invalidation cases?

Interviewer: looking to the statistic number of invalidation trial at IP court is very small. What is your opinion regarding the number of the statistic?

Interviewee: I can think about various reason even though I am not specialized about this matter, the reason that I'm think about is that the first one is from the very beginning that the number of design registration is not so big and secondly, is that in many cases that interest parties tend to be satisfied with the decision made by invalidation trial at JPO so they are not so much to bring the case to the court after the decision is made through invalidation trial at JPO and the third reason is that generally speaking that design rights tends to be very short life cycle so when we think about the time that require to go through the court proceeding or the trial of invalidation at JPO, the interest parties tends not to see the value or the meaningfulness to go to the court because as the design has very short life cycle, that when the judgement at the court is announced, maybe that such design may terminate or no longer can be utilized, especially in fashion.

5. Can you highlight the most interesting decision in invalidation court case?

Interviewer: if you can highlight court decision that overturned the decision made by JPO invalidation trial

Interviewee: talking about the case, I have been taught about cup noodles case. (instant noodle) and that is the case where the design on the cup for the target of the litigation. On the package on the cup there is letter say 'cup noodles' the litigation point at the court is whether that letter 'cup noodle' can be consider as pattern or design or not. 'Cup noodle' was written on the cup, and the court make judgment that this letter is not a design pattern. Eventually the court make judgment to cancel the decision made by JPO's invalidation trial. This is the case that satisfied your question because this case is still controversial in Japan whether the letters include the pattern or not. For this case, judgment of court and JPO are totally opposite. I'm not sure the impact of this judgment because this judgement is not being supported much and recently the majority way of thinking expect the letters can be part of pattern or have ornament to design pattern so is the major argument that is the judgement of the court case is informative recoverable for your actual thinking I am not sure about it,

C. Decision

6. Does the decision made by IP High court will bind JPO?

Interviewee: I am going to answer based on the Japanese systems that I had explained before so the role play by the court is to review the decision made by JPO concerning the invalidation trial to decide whether it is appropriate or not. So that is the court make to judgment to say that the decision made by JPO in invalidation trial is inappropriate so the court may make judgment to cancel the decision made by JPO, and talking about the binding effect, the court or JPO once the court make judgment to cancel the decision made by JPO, JPO cannot make decision on the invalidation based the same ground anymore. On that sense it can be regarded as have a binding effect from the court to JPO. It's not really a binding effect, however as a general practice, the JPO learn from the judgment by the court to revise, or reconsider or reform their own examination guidelines or work practice. It not binding but JPO learn from the court to improve their exercises.

7. In order for a judge to make decision in design invalidation case, does expert opinion from JPO will be rely on?

Interviewer: based on the decision made by the judge at the court does expert opinion from JPO is rely on?

Interviewee: as I mentioned before the invalidation trial or litigation is inter-parte, that parties who want to invalidate the right and the right holder. In case of litigation to cancel the decision by JPO, the Commissioner can review the statement and present opinion upon permission from the court. However, the decision made by judge does not bind with the opinion, it only a reference opinion.

8. In your opinion, either invalidation trial proceeding at the JPO or the IP High Court is more preferable to the applicant? (by considering the cost, the length process, procedural and the effect of judgment)

Interviewee: let me confirm with you, the applicant here means the applicant who want to invalidate the right?

Interviewer: yes, right.

Interviewee: this is not only related to the design but also to the patent because it touches on very high level question how that law to be shared between patent office and the court. And as I mentioned before according to Japanese Constitution the final judgment should be made by court, not the administrative body, so if you think about how the law should be done between the court and the JPO, that they are 2 options that the invalidation should only be handle by the court or the first instance at the JPO before going to the court. And in japan we have 2 layers/ stages proceeding where the first is invalidation trial at the JPO before going to the court and maybe it seems very costly and time consuming, however, having invalidation trial at JPO before go the court allow interest party to have simpler and quick expedited proceeding by professional. So in that sense that compare to the case that go to the court from very beginning that having invalidation trial as preliminary instance for going to the court eventually turned out to be less costly and less time consume. And to make this system as effective as possible, the important structure is to minimize the gap between the decision made by JPO and decision made by the court. In other words, the number where the decision made by JPO is overturned by the court that more effective the function. However, it only in the case of infringement that court proceeding during litigation that mentioned about invalidation defense. So only in case of infringement the lawsuit the court is allow to determine the validity of design right as itself. It means that even though there's no invalidation trial taking place at JPO, only infringement case that court can be independently make a judgment of invalidity of a design right. It became a little bit more and more controversial because the invalidity only for infringement case that the court can make the judgment on invalidity. That means the court had accumulated its own knowledge and expertise concerning the validity of the design right, so it means even though I said there is invalidity at the court, the proceeding can be simpler and expedited but if the court has enough expertise and specialty by itself and how it should be in future part of controversy little by little in Japan. But still I assume that only zero or none things that invalidation trial in JPO is not necessary. Also related to the row sharing between the JPO and the court, it is very unlikely that Japan go for abolish the invalidation trial. Maybe we can think to consider invalidation scheme to be more reasonable for example for now the court can handle only the case which the decisions made by invalidation trial by JPO, that dealing with whether the decision made by JPO is appropriate or not right, however, maybe that demarcation can be more flexible for example the court can handle the cases which the decision was not made by JPO. Let me re explain that responsibilities of the role to be shared between JPO and court is where the court can handle the decision that already made by JPO however by having more flexibility is mean for example that if invalidation trial at JPO consider only the novelty of publicly known of document A, the country that publicly known document A only the publicly document A that the litigation point also at the court. However, that flexibility means even though the invalidation trial at JPO handle only the publicly known document A that if the case is the same, that court might able to make decision also for publicly known B for invalidation case. That is quite significance point that is controversial right now, however as I mentioned before if JPO, request only publicly known document A, the

court should state to publicly known document A in the proceeding and that is the judgment made by the Supreme Court. However, that judgment made by Supreme Court had been receiving quite high criticism

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Third Interview

Interview Questions

Research Theme: Industrial Design Invalidity: A Comparative study between Malaysia and Japanese Trial and Appeal System

Interviewee: Ms. Tomoka KIMURA
Trial Examiner in Designs
34th Board of Trial and Appeal
Appeal Divisions, Japan Patent Office

Mr. Hiroyasu Nukushina
Senior Director of the Board of Trial and Appeal
34th Board (Designs)
Trial and Appeal Department, Japan Patent Office

Date: 7th December 2018

A. Invalidation Trial Officers

1. What are the qualifications of the design examiners in trial and appeal section in JPO?

i) Education level and course of study:

ii) Length of experiences (if any):

iii) Training /certificate /examination required:

<The explanation during interview>

Interviewee: I have received your questionnaire beforehand and answer to it but today I will explain the answer to you. Let we start with your first question:

As for Appeal Board's Administrative judges they are selected from the JPO who has at least 5 years' experiences and who had attended required training program and Appeal Boards

Administrative Judges are appointed from these peoples. So in order to become a substantive examiner at JPO, JPO conduct examination for industrial design examiners and if you passed it you will be hired by JPO as an Assistant industrial design substantive examiner.

There's people who sit for the JPO examiner's examination during the examination there are questions to not only design but also drawings various point of art and history and as for the background at universities what a specific field are not only design but it covers broad perspective such as fine arts, architecture and education, human management and science, it's not just limited to design.

After being hired as assistant examiner, he or she has to accumulate for at least 4 years' experience and has to attend a various training program and upon completion of that he or she will become a substantive examiner.

As for the curriculum of the training program that the examiner has to attend, that includes 4 major industrial properties related law such as the patent act, industrial design act, trademark act, and utilities model as well as international convention and examinations related practice, them, he/she need to pass the examination.

In order to become an administrative judge at trial and appeal Board, there will be more training programs and again the curriculum covers the area of the four main industrial property related laws, international treaty and convention plus code of civil procedure general practice for administrative judges.

<written answer provided prior the interview session>

The qualifications for administrative judge are provided for in the Ordinance for Enforcement of the Patent Act, Article 5. In most cases, a person shall be appointed as an administrative judge upon consideration of his/her performance reviews, etc. on the condition that he/she has served as an examiner at the Japan Patent Office for at least 5 years and also has completed the specific training courses (See item b. below) provided by the National Center for Industrial Property Information and Training (INPIT).

In regard to item i) above, "Education level and course of study," let us explain a little further about a design examiner. To become a design examiner, he/she must take and pass an "Examination for Design Examiners at the Japan Patent Office" (Category: Industrial Designs), which corresponds to "National Civil Service Examination for Regular Positions" (for university graduates) conducted by the JPO.

In fact, the design examiners and assistant design examiners who now serve at the JPO majored in a wide variety of courses at universities, not only designs, but also fine arts, architecture, mechanical engineering, education, human life and science, environmental science and information, library and information science, etc.

In regard to ii) above, "Length of experiences," the qualifications for examiner are provided for in the Ordinance for Enforcement of the Patent Act, Article 4. In most cases, a person shall be appointed as an examiner on the condition that he/she has engaged in design examination practices at the Japan Patent Office for at least 4 years and also has completed the specific training courses (See item a. below) provided by the INPIT.

a. The training courses for examiners include: The Patent Act and the Utility Model Act, the Design Act, the Trademark Act, IP Treaties, IP Examination Practices, on-the-job training for examination, etc. The trainees are required to take tests on some of these subjects.

b. The training courses for administrative judges include: The Acts and Treaties related to Patents, Utility Models, Industrial Designs and Trademarks; the Code of Civil Procedure; the Outline of Civil Procedure in Japan, trial and appeal practices, on-the-job training for trial and appeal practices, etc.

2. Currently how many examiners are dealing with trial and appeal system in JPO?

<answer during interview>

Interviewee: I am moving on to the next question, the actual number of administrative judges at the trial and appeal board. There is who are in charge with industrial design related appeal and trials approximately 10 but as for the total numbers of administrative judges working in the trial and appeal board are 383 altogether.

Interviewer: Sorry I have question, regarding this 10 administrative judges are they carry both appeal and trial or they are divided?

Interviewee: yes, both of it.

<written answer provided prior the interview session>

Currently, the JPO has 383 administrative judges, and around 10 of them are in charge of Designs.

B. Invalidation Procedure

3. Under invalidity system in Japan, what is the common term use to challenge the validation of a design (if applicable any of below, please explain the scope of the terms use under Japanese system)

<answer during interview>

Moving on to the next question, the general procedure for invalidating a registered design. We have the trial for invalidation system.

<written answer provided prior the interview session>

The JPO uses the term "Trial for Invalidation", for example, a trial for invalidation of design registration.

4. What type of invalidation trial can be requested in JPO? Are the two applications below applicable in JPO? If yes, please explain:

(iii) application for determination of invalidity

(i.e. relates to absolute grounds for invalidity such as the appearance of the product does not constitute a design, lack of novelty or individual character, exclusion from design protection. Normally, anybody can file this application)

(iv) application for declaring of invalidity

(i.e. relates to relative grounds of invalidity such as works protected by copyright, registered design or distinctive sign with an earlier filing of priority date. Where the application can only be filed by the right holder concerned)

<answer during interview>

Interviewee: Moving on to the next question, on what type of invalidation trial can be requested and you classified into 2 categories. As we have presented to you in the answer sheet, we have prepared the table.

In terms of violation of registrability requirement for industrial design for example as the specific elements is novelty issue, eligibility for novelty and there is constituent element in industrial design if the requirement is not met in creative aspect.

The next section is not meeting the requirements for registration or unregistrability for example a design that is contravene public order and morality

I'm moving to the next one is violation of prior application. That's mean if the filed industrial design in application is similar to somebody else who already filed industrial design then that cannot be register. What I just mentioned maybe describe in your question the relationship with somebody else's industrial property right but in Japan, any person can request this kind of invalidation. At trial this is the ground for invalidating an industrial design. In connection with this, if it is related to prior related design that has been filed earlier, is subject to article 9 of industrial design act, however if the parties get the design registered, in Japan it not subject to the invalidation in trial determined by appeal board of the JPO. If one of them is utilizing the other party already registered, rather the 2 interested parties are need to be in inter parte trial between 2 parties involve. Same things may happen with somebody else copyright and again certain adjustment need to be done between two interested parties to the right holders. For example, just to give you a specific idea if there is a registered industrial design utilizing copyrighted pattern belonging to somebody else unless obtain a license authorized approval of that copyright holder you're not be able to work out the design.

Going back to the table, the next part related design for which design registration is filed although the exclusive license has been established for the principal design rights. Now with regards to this kind of situations, the exclusive license need to be established for both related design as well as the principal design together. If the licensing agreement is set just for one of them, it would be unregistrable. It need to be established both as for related design and principal design.

Moving on to the next section, design that is similar only to a related design, what it is mean, if the design similar with Principal Design then its registrable but if it dissimilar to the Principal Design and only similar to the Related Design that's doesn't meet the registrability requirement so if there is a case on which a certain design only similar to the Related Design not the Principal Design but if somehow it still registered then it subject to invalidation and that is the ground for invalidating that kind of design.

And there are others grounds for invalidation such as violation of joint application, violation of provision of international convention and treaties but others please feel free to go through (provisions as mentioned in the table) if you have time. As for qualification for requesting this invalidation trial, basically in principle, anybody is entitled to do so but when it comes to the invalidations of the rights to be registered any interested party can file the request. Is there any question so far?

Interviewer: Regarding the article 48(1)(i) and 48(iii) may be demanded by a person who has right to obtain design registration, this is very general to mention no right to obtain is actually refer to who?

Interviewee: Design Act Japan has a provision that said any person who actually created the design is entitled to become the right holder of industrial design. So if you file an application for somebody else's creation and claiming that it was your own design, so it falls under this category.

Interviewer: So you mean that if a design procured by unlawful means also can claim for invalidation under this provision?

Interviewee: again, it can be filed by lawful decision person who initially entitled to obtain the industrial design right and not anybody else.

Reasons for invalidation	Applicable provisions	Eligibility for demandant (the Design Act, Article 48(2))
Violation of requirements for design registration (the Design Act, Article 3 and 3bis(3-2))	The Design Act, Article 48(1)(i)	Any person
Violation of grounds for unresistability (the Design Act, Article 5)	The Design Act, Article 48(1)(i)	Any person
Violation of prior application (the Design Act, Article 9(1)(2))	The Design Act, Article 48(1)(i)	Any person
A related design for which design registration was filed, although the exclusive license has been established for the principal design right (the Design Act, Article 10(2))	The Design Act, Article 48(1)(i)	Any person

<i>A design that is similar only to a related design (the Design Act, Article 10(3))</i>	<i>The Design Act, Article 48(1)(i)</i>	<i>Any person</i>
<i>Violation of joint applications (the Patent Act, Article 38, which shall apply mutatis mutandis to the Design Act, Article 15(1))</i>	<i>The Design Act, Article 48(1)(i)</i>	<i>A person who has right to obtain design registration</i>
<i>Violation of enjoyment of rights by foreign nationals (the Patent Act, Article 25, which shall apply mutatis mutandis to the Design Act, Article 68(3))</i>	<i>The Design Act, Article 48(1)(i)</i>	<i>Any person</i>
<i>Violation of a treaty</i>	<i>The Design Act, Article 48(1)(i)</i>	<i>Any person</i>
<i>Design registration granted on a design application filed by a person who has no right to obtain the design registration for the said design</i>	<i>The Design Act, Article 48(1)(ii)</i>	<i>A person who has right to obtain design registration</i>
<i>Violation of enjoyment of rights by foreign nationals and a Treaty occurring after the grant of design registration</i>	<i>The Design Act, Article 48(1)(v)</i>	<i>Any person</i>

5. How long the invalidation process will normally take from the date of request for trial for invalidation?

<answer during interview>

Interviewee: Moving on to the question no.5. the time its take from the time they filing for request of invalidation trial, for fiscal 2017, the length on proceeding on average was 9.6 months. We apologies to the fact that we don't have statistic for the lengths of time required for each different phase, so I unable to answer that, sorry.

Interview: So, if I refer to this flowchart (invalidation trial at JPO flowchart) there is the stage where the invitation reply by the demandee. Is there any specific time or within certain period that the demandee must reply towards the written request by the demandant?

Interviewee: 30 days prescribed period after direction for which the response when it's to be made within 30 days prescribed period.

Interviewer: one more question, is there any average length between the request of invalidation until oral proceeding; before they determined the date for the oral proceeding normally how long?

Interviewee: first of all, the demandant is request the trial then within the 30 days prescribed period that I have just mentioned, the demandee has to respond to that, sometimes the demandant would like to respond back to that again and based on that, before starting the oral proceeding, the notification of oral proceeding need to be sent to the involved party and that may back enforce which requires among themselves, so in answer to your question, generally speaking from the time of the written request for the trial to the start of oral proceeding on average it takes maybe 4-6 months.

<written answer provided prior the interview session>

Average pendency period for a trial for invalidation of design registration is 9.6 months in 2017. However, the JPO doesn't have data on period required for each process. Please refer to the attached flow chart of trial for invalidation of design registration if necessary.

6. In the invalidation procedures, does written submission is sufficient for the examiner to make decision or it compulsory to go through oral proceeding?

<answer during interview>

Interviewee: Moving on to the question no.6, whether the oral proceeding is compulsory or not or whether sometime only the documentary proceeding take place or not, oral proceeding are not compulsory but in principle normally it take in the form of oral proceeding. If both parties request documentary proceedings, then it will not take the form of oral proceeding.

<written answer provided prior the interview session>

Oral proceedings are not mandatory. However, the JPO's 34th Board of Trial and Appeal (Design) conducts oral proceedings in principle for all cases listed for trial for invalidation, except for the cases where all parties concerned request documentary proceedings, etc

7. What is the documents required to submit in order to request for invalidation trial? Is there any filing Forms in the Design Regulations?

<answer during interview>

Interviewee: Next question number 7, the documents that need to be submitted in order to file an invalidation trial and the form of these documents; of course the demandant has to submit the documents requesting for invalidation trial that meet certain formality requirements. In the answer that we sent to you in advance we include that the website that you can access but I just printed them but we apologize on the fact that it is only in Japanese but the very 1st page shows the actual Form and from page 2 onwards it states what you what kind of things you have to write and you how you determine the Form.

Interviewer: so I want to clarify in order to request for invalidation trial, party need to submit this form, which is Form 13 with this fee?

Interviewee: Yes, if you're submitting the paper format, you need to affix the revenue stamp here. 55,000 JP yen.

Interviewer: statement of claim need to be attached together?

Interviewee: yes it is in Japanese but no.6 showed that the demandant has to specify the grounds for requesting invalidation trial for example if the demandant requesting for invalidation trial in lack of novelty, the demandant has to indicate specifically what provision in the industrial design need to be cited as ground for invalidations or if there are certain grounds for refusal such as publicly known industrial design you have to specify exactly what is the public known industrial design in that case and the demandant also need to submit the evidence to rebut this claim. For example, a copy of certain magazines that carries that particular designs, based on that you're claiming lack of novelty.

<written answer provided prior the interview session>

When requesting a trial for invalidation of design registration, a demandant must file a request form which complies with the formal requirements provided for in the Patent Act, Article 131(1) and (2), which shall apply mutatis mutandis to the Design Act, Article 52. The Ordinance for Enforcement of the Design Act, Article 14 stipulates that a demandant must prepare a Form No. 13 in filing a request for trial. How to prepare a Form 13 is available to the public on the JPO's website below.

https://www.jpo.go.jp/tetuzuki/sinpan/sinpan2/sample_bill_sinpan.htm

8. Are there a complete set of invalidity manuals that is available for the public to access it?

<answer during interview>

Interviewee: as for question number 8, manual, yes we have manual that give all the detail on trial and appeal procedure and that is published in JPO website. Only certain portions available in English translation provided in certain parts.

<written answer provided prior the interview session>

The Manual for Trial and Appeal Proceedings is available in Japanese to the public on the JPO's website below.

https://www.jpo.go.jp/shiryou/kijun/kijun2/sinpan-binran_17.html

Some sections of the Manual for Trial and Appeal Proceedings are also available in English to the public on the website below.

https://www.jpo.go.jp/torikumi_e/t_torikumi_e/sinpan-binran_17.html

9. Will the JPO's examiner get involved if there is an appeal to claim invalidity at the IP court?

<answer during interview>

Interviewee: I'm moving to question no.9 regarding the involvement of the examiner in the appeal for revoking the appeal board decision. Basically the appeal to revoke the decision take place between industrial design rightholder and the demandant who want to invalidate the registered rights therefore between those two, examiners does not get involve in those trials. But depending on the case some time the court asks the JPO commissioner to submit their opinion on the current system, it is possible for JPO's examiner to go to the court to state his or her opinion but when that happen, the commissioner designate JPO's personnel which is normally an administrative judge from trial and appeal board of the JPO.so it is possible for JPO administrative judge to stay extra job in such appeal trial. However, in reality it is hardly ever happen, very rare and it doesn't really occur.

<written answer provided prior the interview session>

In a revocation action against a trial decision rendered by the JPO in a trial for invalidation, a litigant party shall be a demandee and a demandant. Hence the JPO never becomes a litigant party, and in principle, the JPO is not involved in proceedings at the Court.

Nevertheless, in a revocation action against a trial decision, the Court may seek opinions of the JPO's Commissioner, or the JPO's Commissioner may give his/her opinions to the Court. Moreover, the JPO's Commissioner can designate a JPO employee who gives opinions to the Court.

10. What are the most common grounds to invalidate a registered design in JPO? (please state the number of invalidity application based on the grounds available)

<answer during interview>

Interviewee: The next question is common legal grounds invalidating a registered design, I had compiled the numbers in a form of table, so please refer to that table. But most common grounds are lack of novelty and individual character. The demandant can cite multiple grounds for invalidation form so it does not have to be just one so there quite of few cases in which demandant cite both lack of novelty as well as individual character. DO you have another questions, instead of this?

Interviewer: yes, regarding question no. 9, regarding the appeal of decision by JPO to the court, once the court make decision, does the parties need to come back to the JPO to invalidate the design, and if so, is there any procedure or only by submit the notice of order, made by the court?

Interviewee: Revocation trial for JPO appeal board decision, if it is appeal to the high court will judge whether to sustain the appeal board decision or to revoke the appeal board decision. For example, if JPO appeal board initially came up with the decision to sustain the registration and it was appeal to the high court and if IP high court decide to revoke the appeal board decision, it

automatically remanded back to the JPO so the demandant does not need to go through any additional procedures from there onwards it automatically referred back to the JPO and JPO will come out with appeal decision to invalidate.

Interviewer: another question is regarding question no. 5, the time, its mentioned the average time take around 9.6 month from the date of request for invalidation trial. Is there any effort done by JPO to reduce the time or prior proceeding? Because if we refer the proceeding at the court it will take around 6-8 months which is I consider faster than proceeding at trial in JPO. Is there any effort to expedite the proceeding at JPO?

Interviewee: on annual basis, the trial and appeal department of JPO set specific objective in terms of figures for trial of invalidation too we set a specific chapter in which we can complete the oral proceedings we did various effort to accelerate the whole procedure to make as fastest as possible however having said that when it comes to invalidation trial the most important thing is to allow both parties to make sufficient arguments and claim all the arguments that they have in their minds. So if we do that too fast and if the proceedings are too short we may come out with unsatisfactory outcome and results, so rather than that we focus more in making sure that both parties are sufficiently express their arguments, and we consider that to be more important and that's why the current average is 9.6months. This is related to question number 9 as well when it comes to inter parte trials, the JPO will is not directly involved in the actual durations so again both parties need to sufficiently make their own arguments, based on that the judiciary will make the decision and the JPO has to follow of whatever outcome that made by the judiciary.

Interviewer: and my last question is focusing on your personal opinion, as I concerned under patent there is post opposition to make sure that before the registration, the 3rd party can challenge for example patent is not new or not fulfill the registrability requirements, but in case of design there is no opposition, so it straight away from filing to the decision and even the substantive examination has been carry out thoroughly by the examiner, it still have opportunity from the same body i.e the JPO to invalidate on the same grounds. Does it affect the quality of the examiners who carried substantive examination on the grounds of novelty?

Interviewee: when it comes to the opposition system, in order for somebody to file an opposition system, firstly filed application need to be published, otherwise opposition itself is impossible. However, in the field of industrial design, once a new design is published immediately that create a situation where somebody else can copy therefore it is not wise to introduce the publication system of the filed application and in order to deal with the situation JPO has a compiled a database that stores more than 10 million pieces and we have really a lot of searches to conduct such case and that system allow us to tackle the novelty issue.

Interviewer: The reason why I came to this question is that, if I look into procedure in others countries who implement the invalidity at the Office for example EUIPO and Singapore, it is

because they only carried out formality examination and no substantive examination or novelty search is carried out. But the case in Japan, even though you have, I can say good database, but still have invalidation at the IP office. May I know is there any reason behind it?

Interviewee: of course the examiner tries really hard not to make any error and there always try to make sure that we conduct appropriate kinds of examination however at the same time it quite impossible to gather and collect all of the industrial design that exist in the world therefore, if it so happens that the design doesn't satisfied registrability get registered we definitely need the system to invalidate that kind of erroneous registration and that is why we have the invalidation system.

Interviewer: Thank you, I have no further question.

Interviewee: Look at the handout in front of you, we will use this for the tour right next to this room but before moving for a tour, let me briefly explain about the said system. As you can see the statistic and the ratio of annual filing industrial design specifically on what fields and so on. Approximately 30 000 search applications on the annual basis so quite a few and as I explained earlier we have database that stored more than 10 million cases so we have constructed a really effective system to handle of the huge volume of database. Refer to pages 3 and 4, mainly in page 4 you found the outline of search system, right in the middle in the big yellow box, you can find the database and the date contain of various filing related information of publicly known documents, official gazette for patent and so on. The database contains more than 10 million cases of information and we utilize the Japanese design national classification in order to narrow down the scope of design, that's how we conduct the prior design search. While conducting the search in relation to certain filed industrial design application and if you come across another design or some other design which is similar or deeply involved you can attach some tag. That shown in pale green box for one application if you searching prior application and come across similar one and so on that explanation is preference documents then you can compare the relevance one in order to determine the novelty. During the proceeding in trial and appeal the same search system is also utilizing so for certain registered design the administrative judges can refer to the record search result at the phase of substantive examination for the registered or where necessary additional search will also be conducted.

<written answer provided prior the interview session>

We give answers to this question assuming the two cases below.

- (1) Reasons for invalidation stated in a trial decision to invalidate
- (2) Reasons for invalidation alleged by a demandant

As for item (1), the number of the cases on which the JPO rendered trial decisions in 2017 are as follows;

Reasons	Number of cases (2017)
i. lack of novelty	2 cases
ii. individual Character	3 cases (we counted "creative difficulty" cases in Japan, which corresponds to "individual character" the same applied hereinafter)
iii. others (please indicate)	n/a

(Note: In some cases, there are more than one statutory basis when filing a request for trial. The same applies hereinafter.)

As for item (1), the number of the cases on which the JPO rendered trial decisions from 2013 to 2017 are as follows;

Reasons	Number of cases (2013-2017)
i. lack of novelty	19 cases
ii. individual Character	6 cases
iii. others (please indicate)	3 cases (1 case: violation of prior application, the Design Act, Article 9(1), and 2 cases: Violations of joints applications, the Patent Act Article 38, which shall apply mutatis mutandis to the Design Act, Article 15(1))

As for item (2), the number of the cases on which the JPO rendered trial decisions in 2017 are as follows;

Reasons	Number of cases (2017)
i. lack of novelty	18 cases
ii. individual Character	15 cases
iii. others (please indicate)	1 case: violation of requirements for design registration requirements (the Design Act, Article 3)

(End of Document)