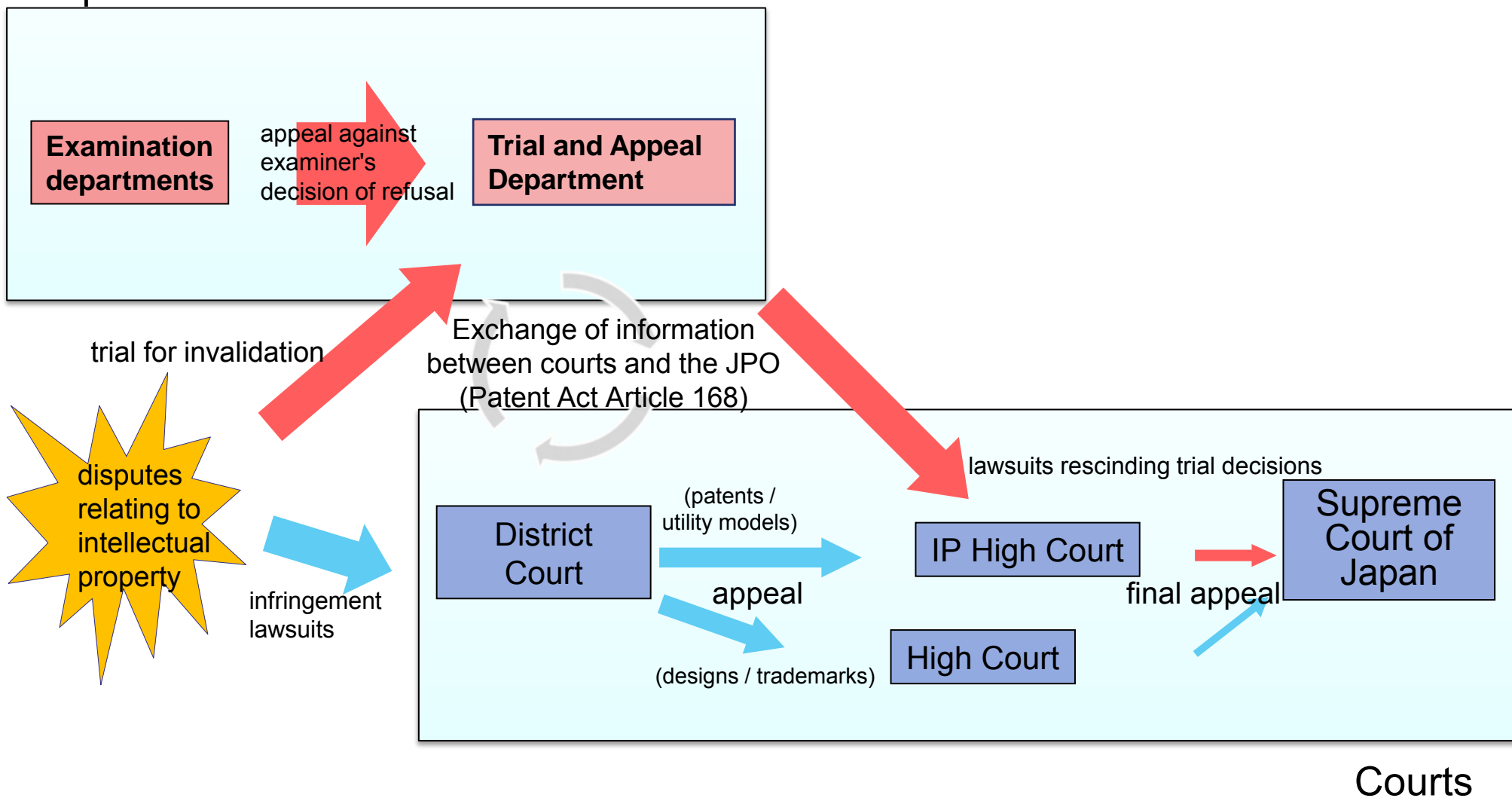


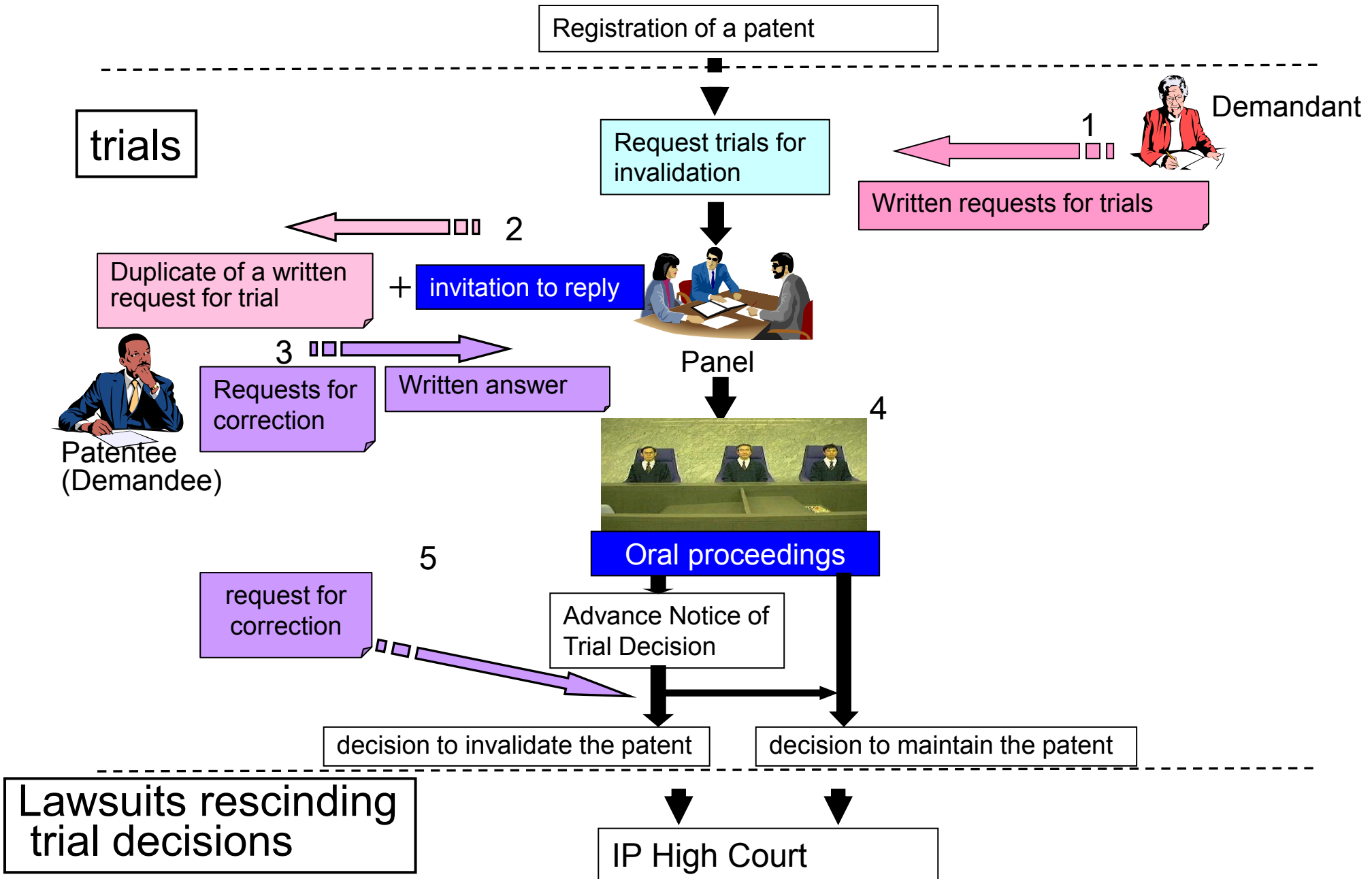
Trial for Patent Invalidation in Japan

November 2016 (H28)
Trial and Appeal Department,
Japan Patent Office

Japan Patent Office



A Flow of a Trial for Patent Invalidation

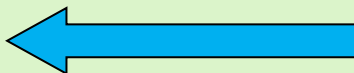


Patent Act Article 168 (Exchange of Information)

Japan Patent Office



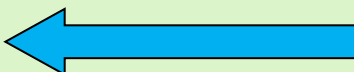
Notify the JPO of infringement lawsuit instituted (3)



Notify the Court of whether a request for trial for patent invalidation has been filed (4)



Patent invalidation defense (5)



May request the court to deliver copies of any record of the said action (6)



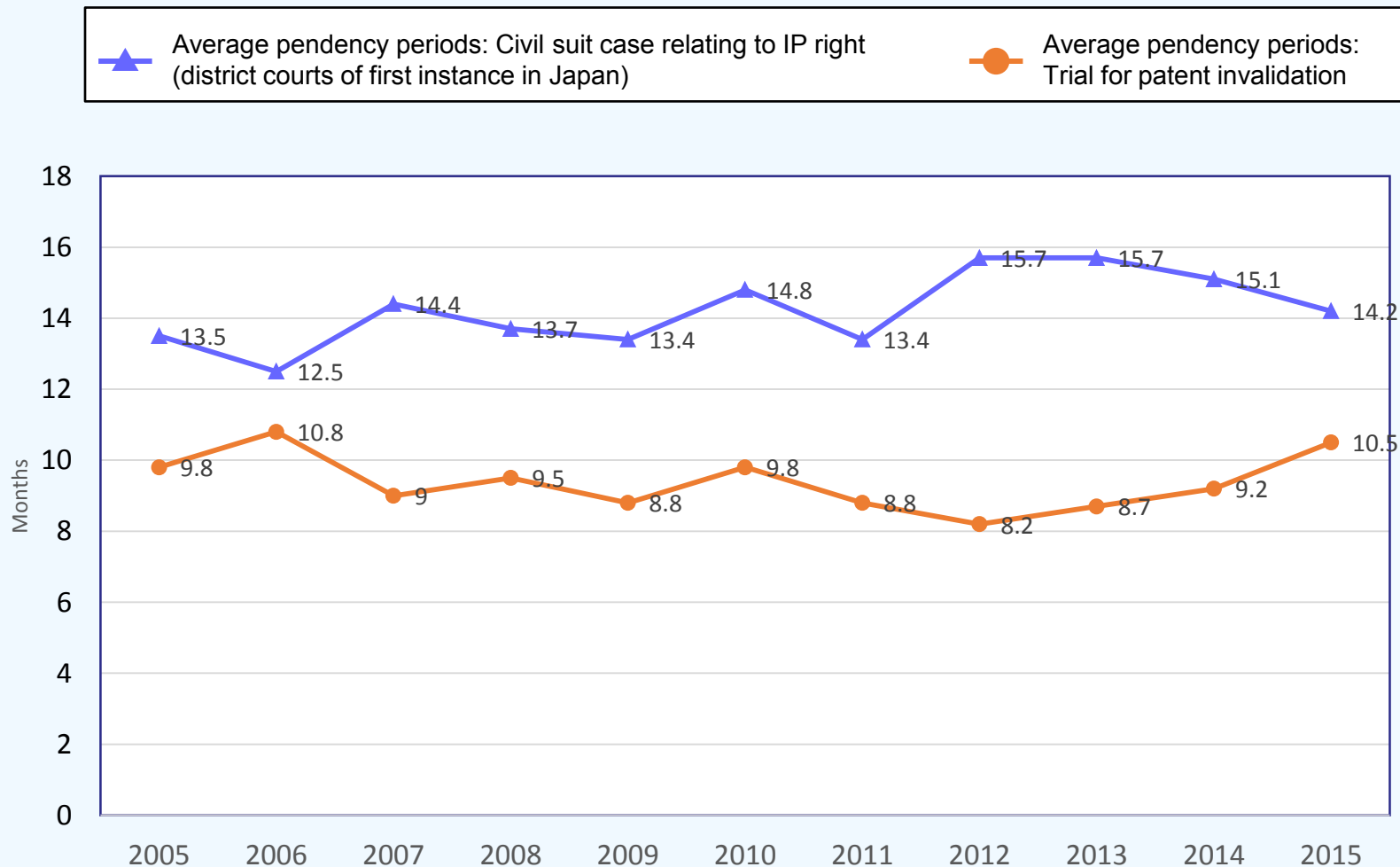
Courts



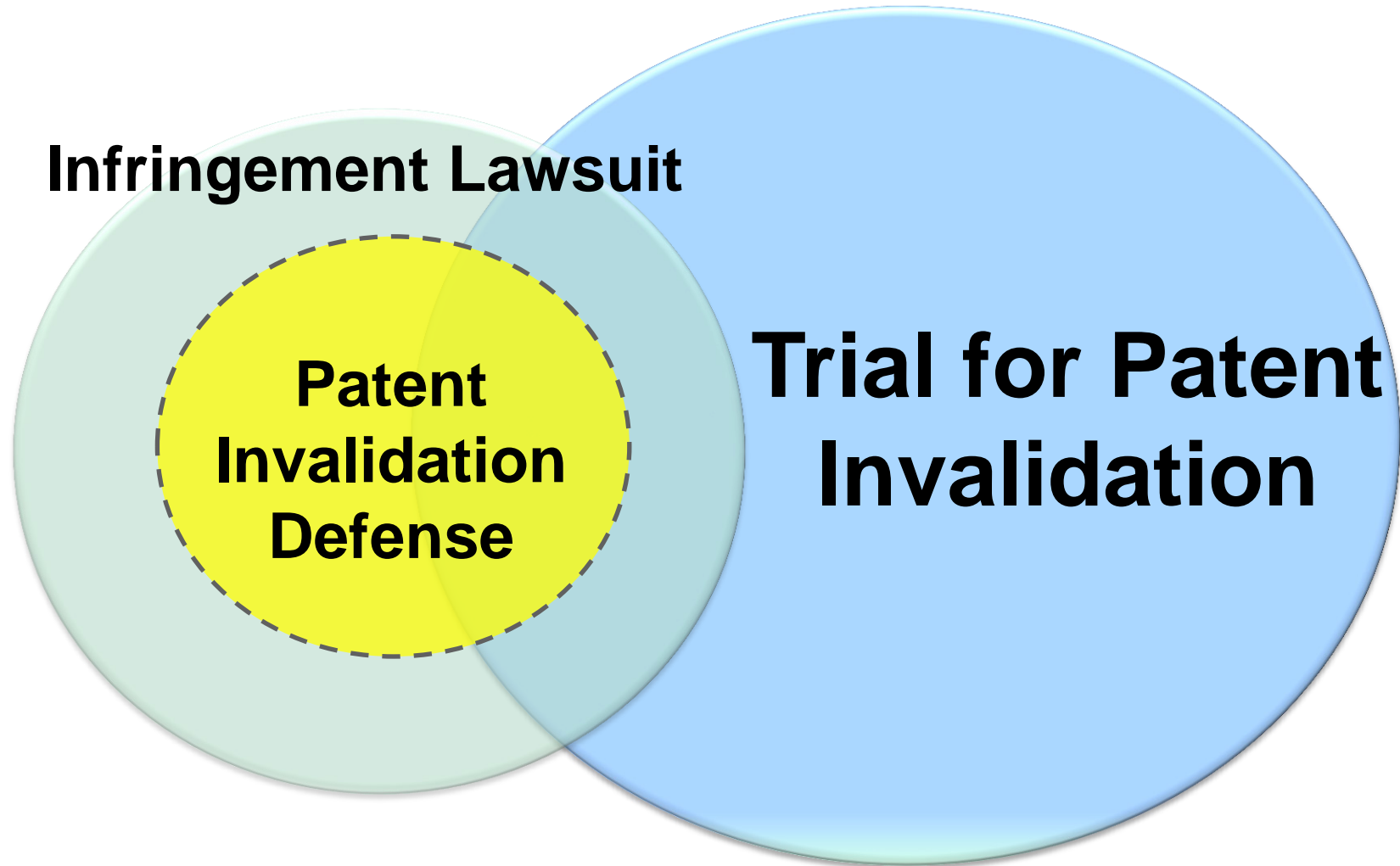
Patent Invalidation Defense in Infringement Lawsuit (Patent Act Article 104-3(1))

Where, in litigation concerning the infringement of a patent right or an exclusive license, the said patent is **recognized as one that should be invalidated** by a trial for patent invalidation, or, registration of an extension of the term of the said patent right is recognized as one that should be invalidated by a trial for invalidation of a registration of extension of duration, **the rights of the patentee or exclusive licensee may not be exercised** against the adverse party.

Progress of Average Pendency Periods

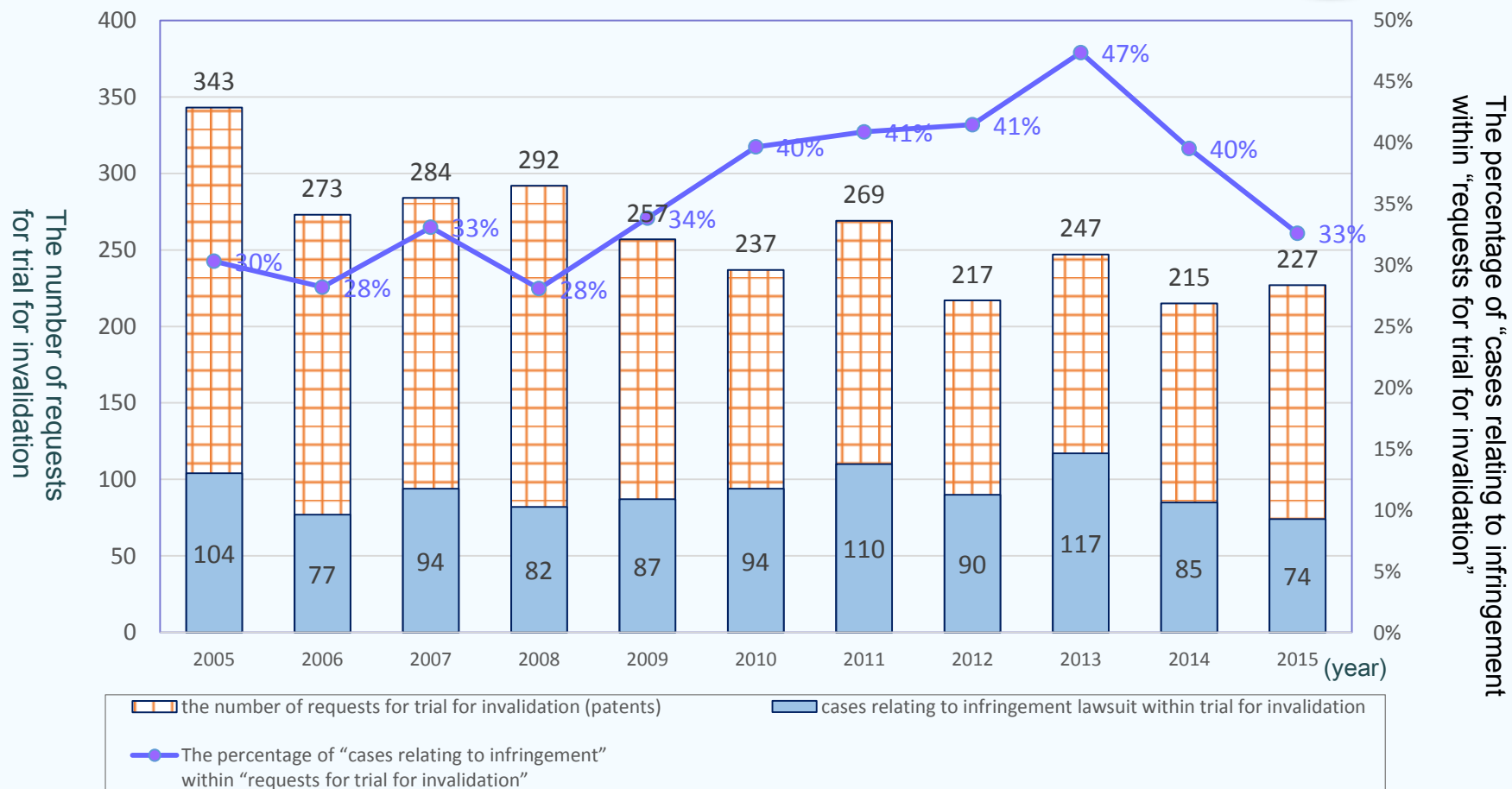
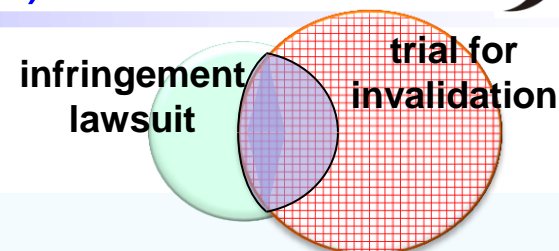


- “Average pendency periods: trial for patent invalidation” prepared by the JPO
- “Average pendency periods: civil suit case relating to IP right” available at the IP High Court website at http://www.ip.courts.go.jp/documents/statistics/stat_03/index.html



Trend in Request for Trial for Invalidation (1)

The percentage of “cases relating to infringement” within “requests for trial for invalidation”

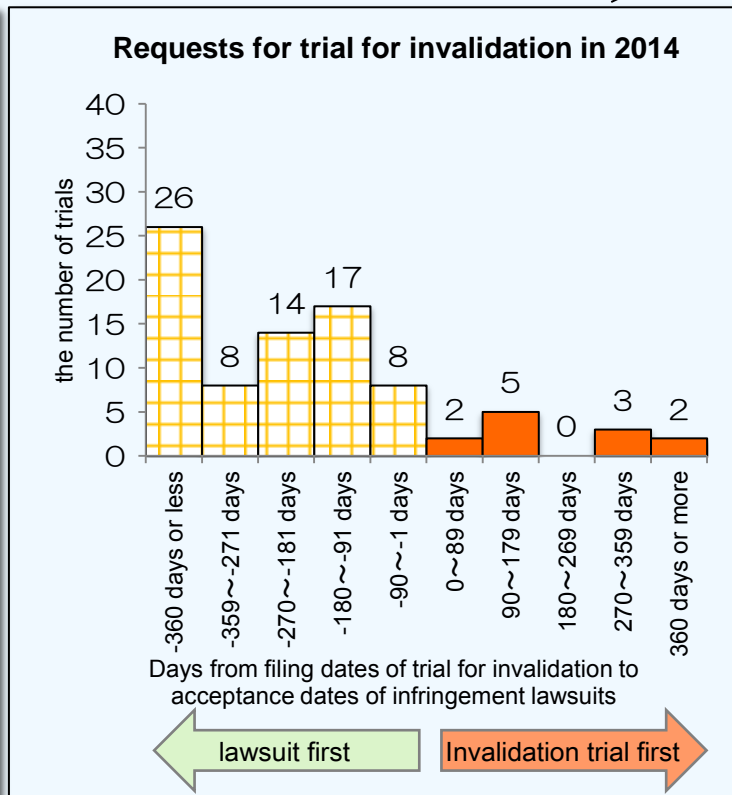
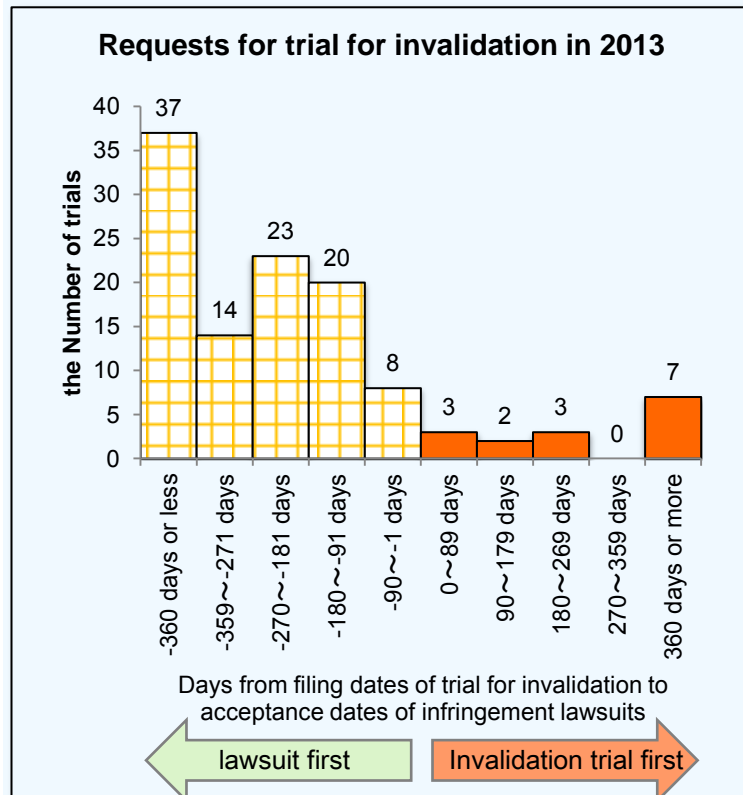


(The percentage of “cases relating to infringement” within “requests for trial for invalidation”:
requests for trial for patent invalidation relating to infringement lawsuit / requests for trial for patent invalidation (prepared by the JPO))

Trend in Request for Trial for Invalidation (2)

“Filing dates of a request for” and “acceptance dates of infringement lawsuits”
in chronological order (histogram)

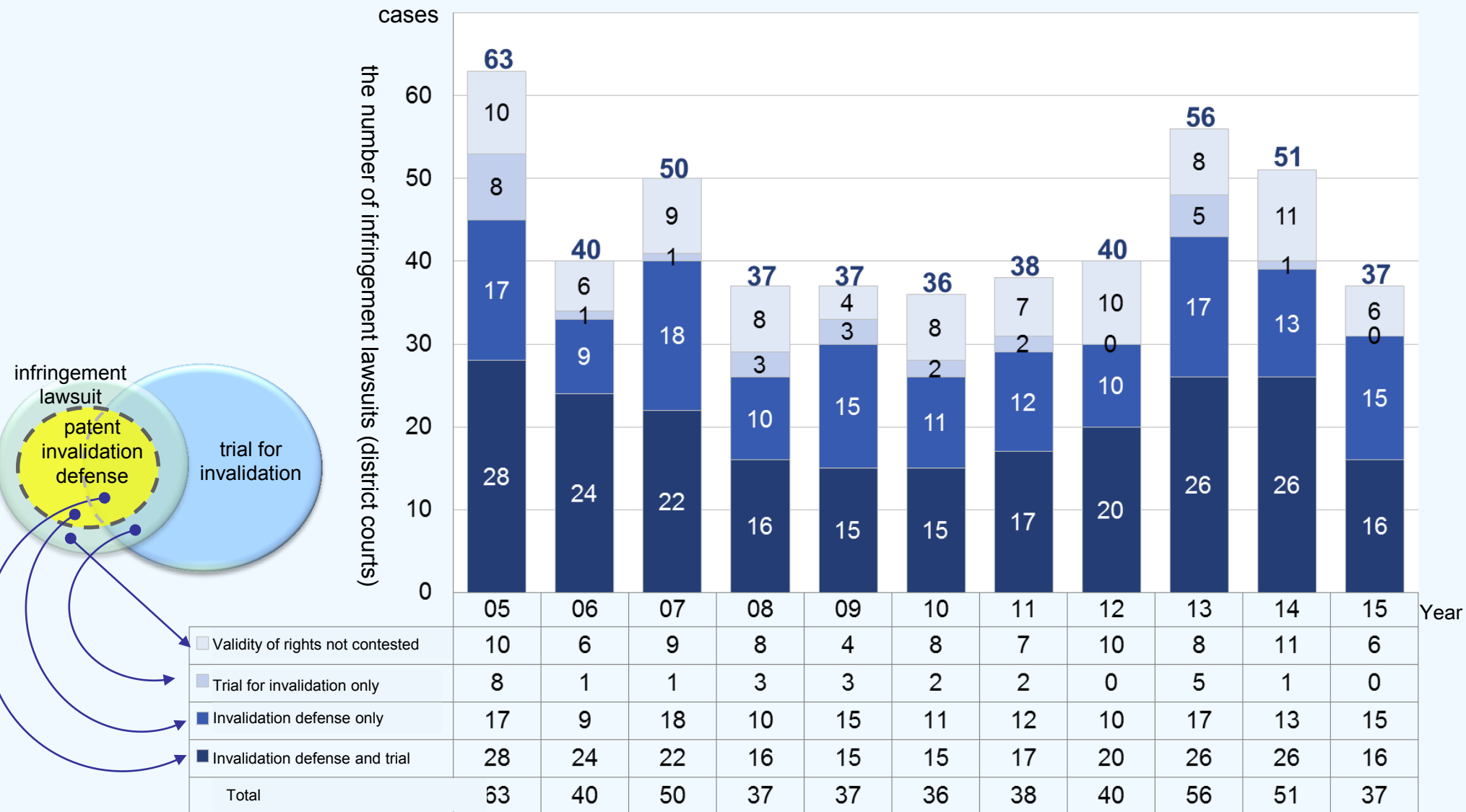
infringement lawsuit
trial for invalidation



Note: Where there are multiple patent invalidation trial cases requested and infringement lawsuit cases instituted for one patent, only the case which has been filed at the earliest will be counted.

Of patent invalidation trial cases requested between 2013 and 2014, only the cases for which infringement lawsuits were also instituted for the patents concerned were surveyed. (prepared by the JPO)

Current Status: Patent Invalidation Defense in Infringement Lawsuits (District Courts) and Requests for Trial for Invalidation



Note: A sample survey was conducted on court decisions published in the judicial precedent information at the IP High Court website. (prepared by the JPO)

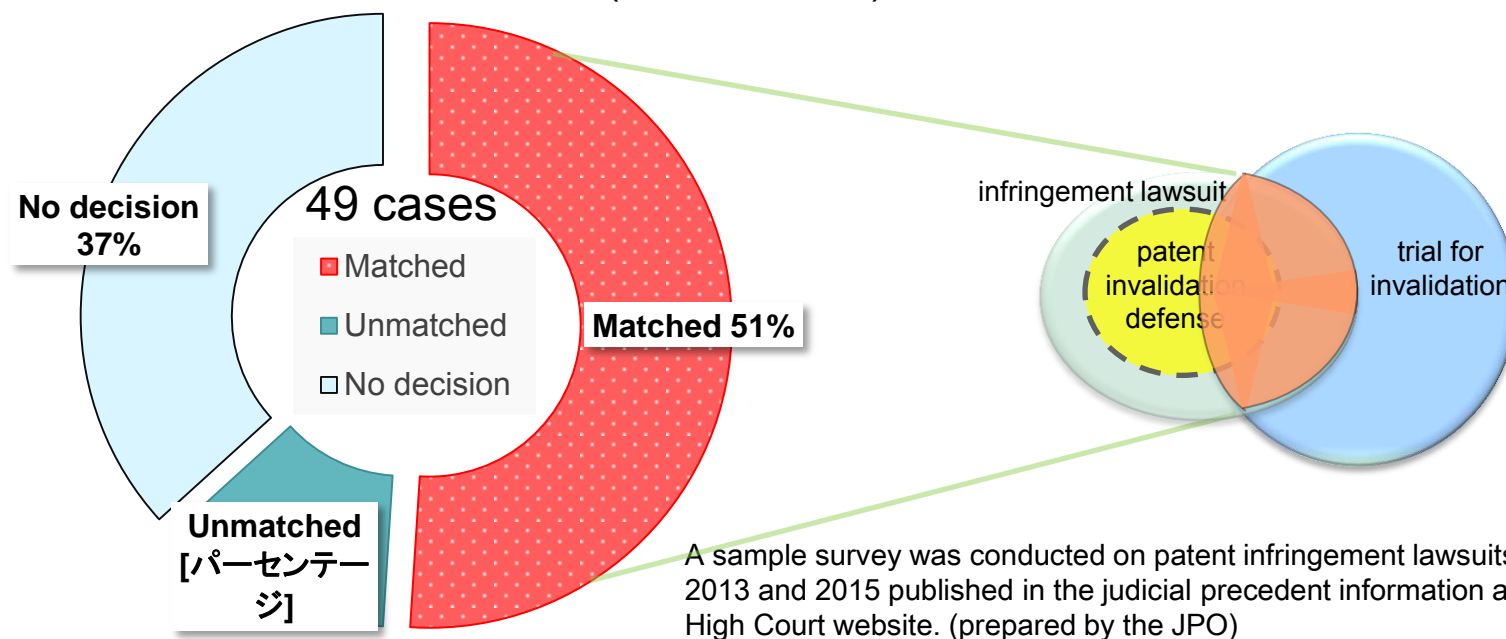
Comparison of decisions: between Trial for Invalidation and Invalidation Defense in Infringement Lawsuit

- The number of requests for trial for invalidation in relation to the number of cases with Patent Invalidation Defense in infringement lawsuit

| Year of requests | 2012 | 2013 | 2014 | 2015 |
|---|------|------|------|------|
| The number of requests for trial for invalidation | 217 | 247 | 215 | 227 |
| of which relating to infringement lawsuit | 90 | 117 | 85 | 74 |
| of which with Patent Invalidation Defense | 76 | 87 | 64 | 56 |

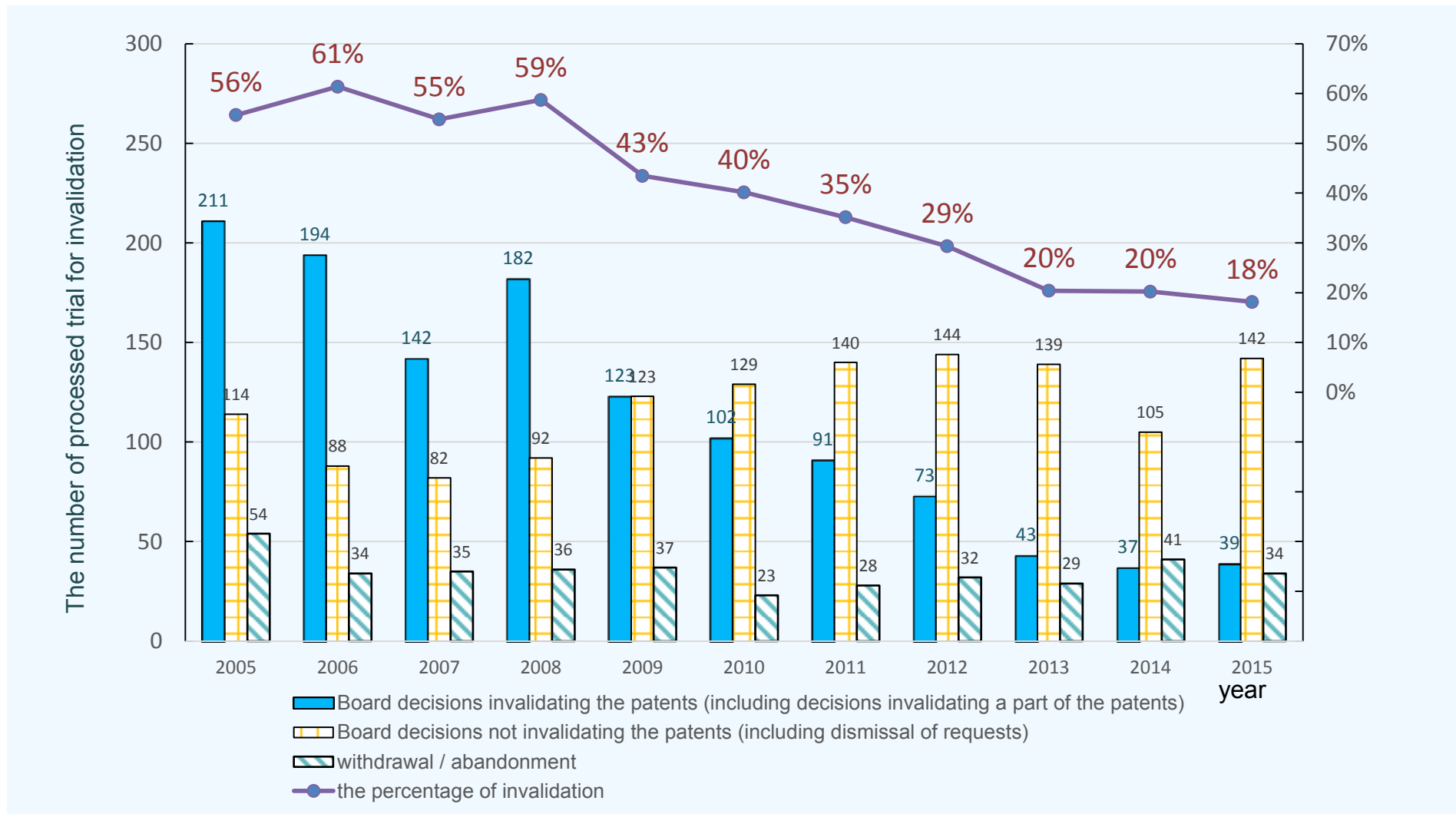
Requests for trial for invalidation (2012-2014) (prepared by the JPO)

- Decisions about patent invalidation (matched / unmatched)
(Comparison between court decisions (district courts) and trial decisions)



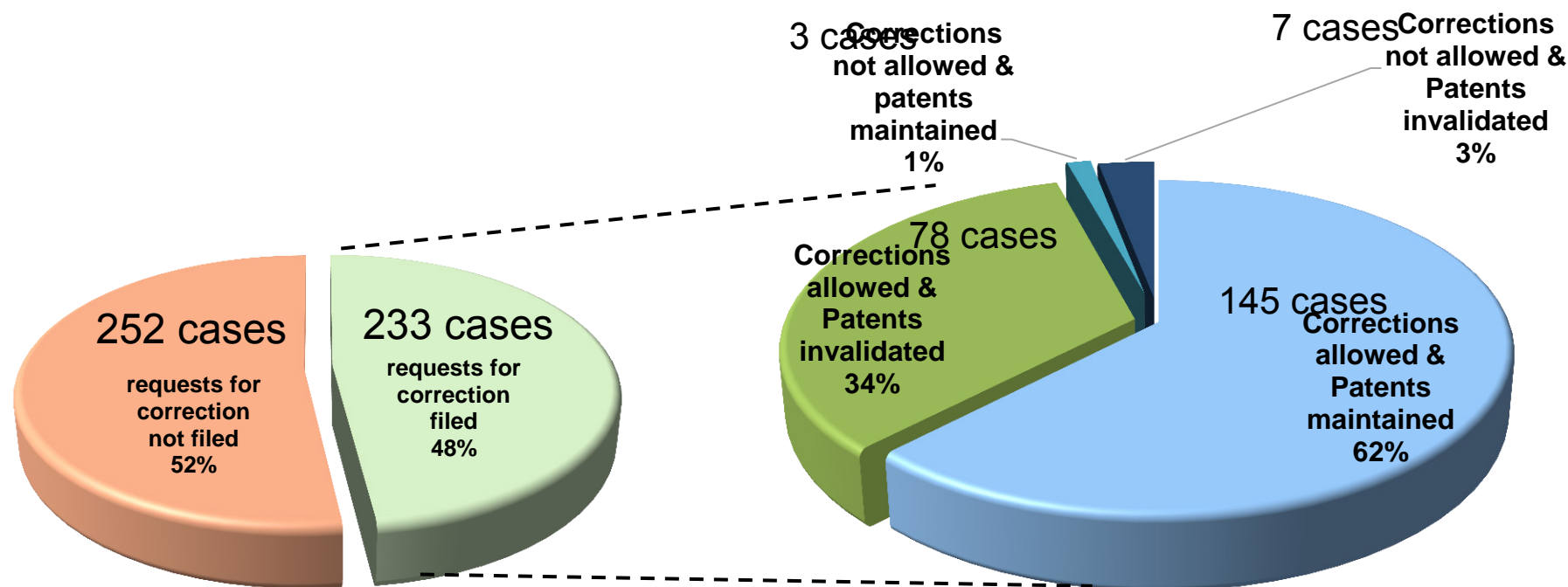
Trend in result of trial for Patent Invalidation

Progress of the percentage of decision to invalidate the patent



Note: the percentage of invalidation = the percentage of board decisions invalidating the patents (including decisions invalidating a part of the patents) / a total number of requests for invalidation trial processed (prepared by the JPO)

Request for Correction in Trial for Invalidation



(note) A sample survey was conducted on 485 requests for trial for patent invalidation between April 2012 and December 2014 to which trial decisions were made (excluding dismissal by trial decision and rejection of an appeal as inadmissible).

“Correction allowed” includes cases in which correction was partially allowed.

“Correction not allowed” means that correction is not allowed entirely.

“Patent invalidated” includes decisions partly invalidating the patents.

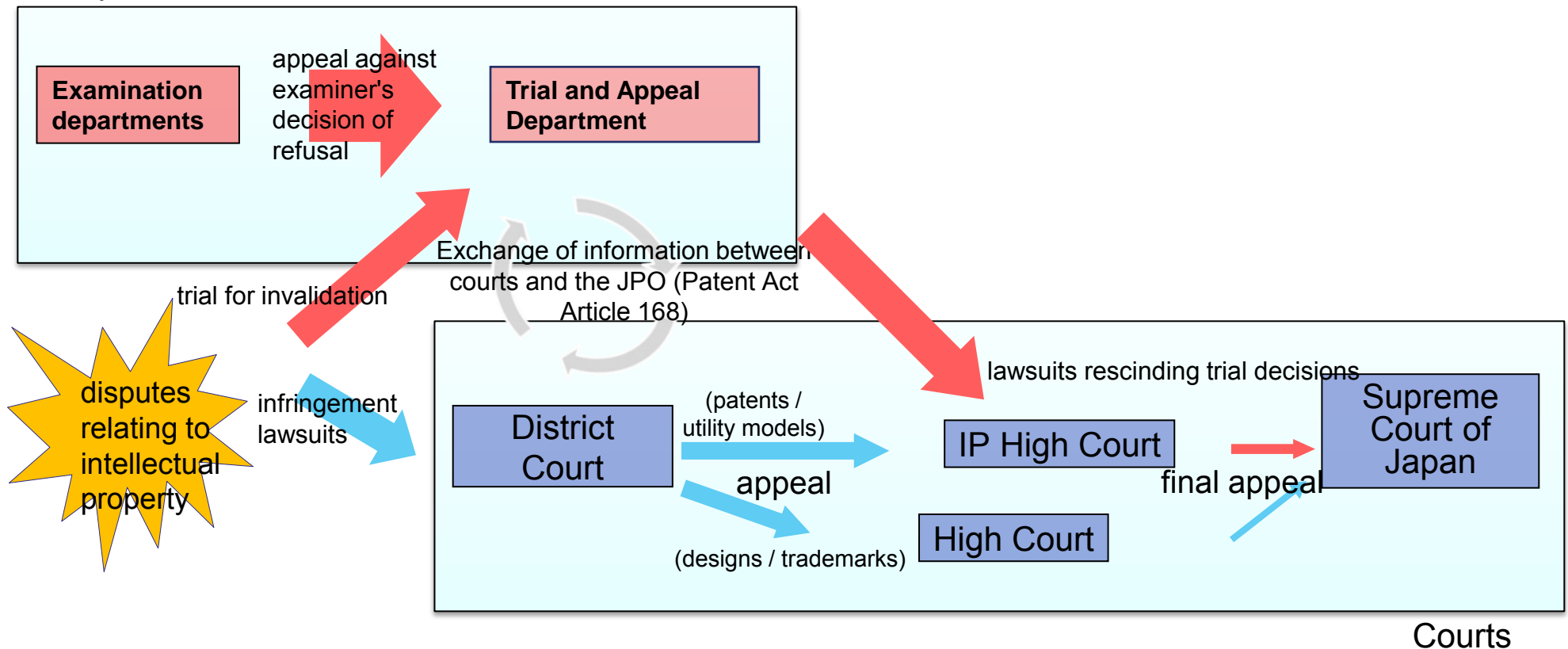
“Patent maintained” means that the patents are maintained entirely.

(prepared by the JPO)

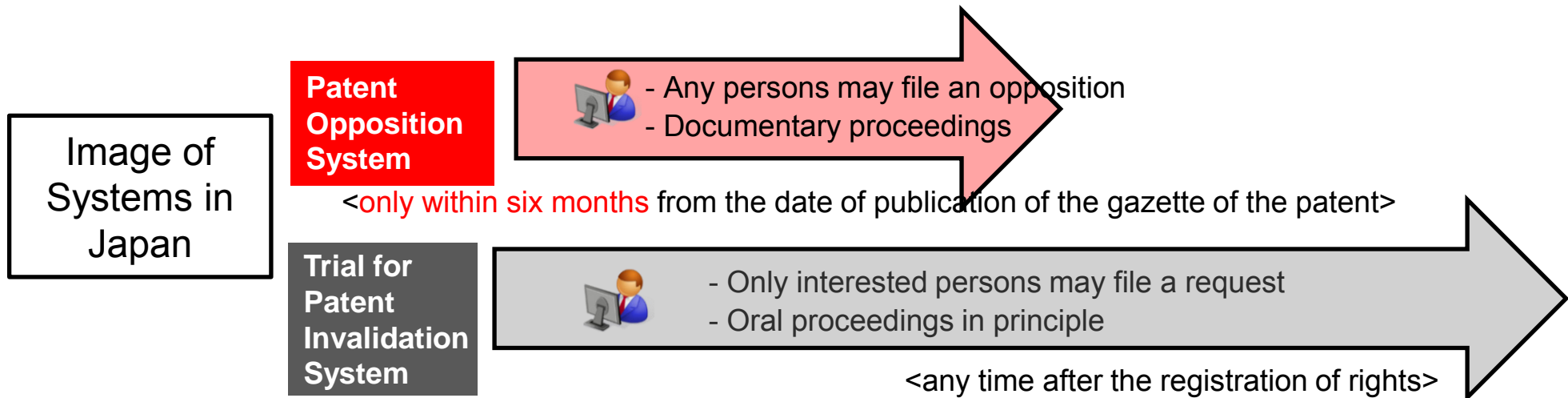
Roles of Trials and Appeals

- Play a quasi-judicial role
- Settle disputes promptly and inexpensively by making decisions on trial for invalidation at an early stage
- Prevent disputes to promote strategical business activities

Japan Patent Office



(FYI) Opposition to Grant of Patent



Benefits

- It is expected that rights will be reviewed at an early stage because time period to make an appeal is limited.
- Because a burden of procedures is small, it enables to widely solicit opinions from the parties concerned.

➡ Early acquisition of strong and stable patent rights is possible.

[Comparison between Trial for Invalidation and Opposition]

| | Trial for Invalidation | Opposition |
|------------------------|---|--|
| Person(s) eligible | Interested persons only | Any persons |
| Period of time to file | Any time after the registration of rights | Within 6 months from the publication date of the gazette of the patent |
| Examined by | Oral proceedings in principle | Documentary proceedings only |

Current Status of Oppositions

The accumulated total number of requests : 1,391 (by patent right, as of: October 28, 2016)
(since the system was commenced in April 1, 2015)

Thank you for your attention