

47-01 P U D T**Bearing of Costs in Connection with Trial/Appeal, etc.**

1. Principle of Bearing of Costs for Invalidation Trials

A burden of costs for a patent (registration of utility model) invalidation trial or a trial for rescinding a trademark registration is determined ex officio by trial decision (stating in a conclusion). However, when a trial ends otherwise than by a trial decision (a withdrawal of the demand, a dismissal under Patent Act Article 133(3)), the burden of costs is determined by decision of a trial (Patent Act Article 169(1), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4)). In such a case, costs for a trial should be borne by a demandant, thus a decision is not made in practice.

In the principle of burden of costs, the costs are determined to be defrayed by the defeated party under the provision of Code of Civil Procedure Article 61 which applies mutatis mutandis to Patent Act Article 169(2) (Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4)), but an exception is allowed under Code of Civil Procedure Articles 62 and 63 (→2.).

2. Exception of Burden of Costs for a Trial for Invalidation

(1) All or a part of costs which incurred by unnecessary actions of the winning party may be borne by the winning party. Even the costs incurred by an action of the defeated party, if such an action is necessary for extension or defense of the right for the defeated party side, those costs may be borne by the winning party (Code of Civil Procedure Article 62).

A. As a result of an examination of witness, when, for example, it is found a witness is completely unrelated to the matters requiring proof, a cost for

an examination of witness is accepted as a cost incurred by said unnecessary acts and even a party who requests for an examination of witness wins the case, such the winning party may bear the costs.

B. When all claims subject to a trial for invalidation in patent claims are deleted by a request for correction, a subject to the trial for invalidation does not exist and said trial for invalidation is dismissed. Therefore, it is considered acceptable that the right holder side who wins the case bears the costs.

C. After a trial for patent invalidation is demanded on the ground that said patent is deemed to be identical to the publicly known invention, when said reasons for invalidation is disappeared because the claims covered by the patent is corrected by a trial for correction, it is considered acceptable that a demandee who wins the case bear the costs by applying Code of Civil Procedure Article 62 the second part.

(2) Due to reasons attributable to the winning party, when the proceedings are delayed and extra costs are required because of the delay, the costs may be borne by the part who wins the case (Code of Civil Procedure Article 63).

3. Burden of Costs for Special Cases of Invalidation Trial

(1) Partial Invalidation

When a trial decision of a partial invalidation is rendered against a demand for full invalidation, costs of the trial shall be shared by the both parties and a ratio of the sharing may be decided by a trial decision, or the whole costs are borne by one of the parties (Code of Civil Procedure Article 64)(Sentence example →45-04).

(2) Joint Trial

A. In this case, parties of a joint trial who lost the case shall bear the costs in equal proportions in principle, however, they may bear the costs jointly and severally or in any other manner (Code of Civil Procedure Article 65(1)).

B. When a trial is demanded jointly by A and B, if A does not have an eligibility of being a demandant and only B has a reason for demanding a trial, a cost incurred between A and a demandee is borne by A and other costs shall be borne by a demandee who lost the case.

C. A cost incurred by an action that was not necessary for expansion or defense of the right is borne by a person who did the act (Code of Civil Procedure 65(2)).

(3) Intervention

When there is an objection from parties against a request for intervention, costs incurred due to the objection for intervention is borne by a petitioner of intervention and a person who alleges the objection under a principle of a defeated party (Code of Civil Procedure Article 66 first part).

A burden of costs incurred by an intervention is, as with the case of joint trial (Code of Civil Procedure Article 66 second part), determined by a trial decision. A cost incurred by an objection to a request for intervention is stipulated in a conclusion upon decision of acceptance or rejection of intervention.

(4) Interest

When there is a dispute between the parties on interests in a demand for trial, and a cost is incurred for an examination of evidence due to the dispute, a burden of the cost may be determined by victory or defeat of the dispute between the parties, separately from winning or losing of the trial on the merit.

(5) Agent

Costs for a demand for trial that the authority of representation may not be proved are borne by the agent (Code of Civil Procedure Articles 69(2) and 70).

(Court Precedent)

In joint litigation of two parties, A and B, if the authority of representation may be proved for A but not be proved for B, an agent shall bear the costs of B ((12 (Gyo-Na) 1957), Judgment of Tokyo High Court, June 17, 1958).

4. Burden of Costs for Appeal Against Examiner's Decision of Refusal, Appeal Against Examiner's Decision to Dismiss Amendment, Trial for Correction, etc.

Costs for an appeal against examiner's decision of refusal, an appeal against examiner's decision to dismiss an amendment for a design or trademark registration application, or a trial for correction are borne by an appellant (a petitioner) (Patent Act Article 169(3), Design Act Article 52, Trademark Act Articles 56(1), 68(4)), and costs for an opposition to grant of patent or an opposition to registration of trademark are borne by an opponent regardless of a conclusion of decision (Patent Act Article 120-8(1), Trademark Act Article 43-15(1)→Patent Act Article 169(3)).

When those appeals, oppositions or petitions are jointly filed, each appellant or petitioner bears the costs in equal proportions (Patent Act Article 169(4), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4)).

5. Bearing of Costs for *Hantei* (Advisor Opinion on the Technical Scope of Industrial Property Rights)

Regarding bearing costs for an advisory opinion, there is no provisions but an expense paid by each party is borne by that party, and a conclusion of an advisory opinion does not include a determination of bearing costs.

(Revised Feb 2015)

47-02 P U D T
Determination of the Amount of Costs in Connection with
Trial/Appeal

1. General Information

(1) An amount of costs for a trial/appeal is determined by Commissioner of the JPO upon request (Patent Act Article 169(5), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4)).

Before determining an amount of costs, the other party shall be demanded to submit a statement of costs, a document necessary for clarification of the costs, and a statement on the content of the statement of costs prepared by a person who requests a determination of the costs within the designated period. However, when only the other party bears the costs for a trial/appeal and the amount of costs to be paid are clear on record, there is no need to demand submission of the documents (Enforcement Regulations of the Patent Act Article 50-8(1)).

(2) A request for determination of the costs should be made after a trial/appeal decision or a decision of intervention becomes final and binding, and within the period of keeping the trial/appeal record.

(3) A person who requests a determination of the amount of costs for a trial/appeal shall submit Request for Determination of Amount of Costs for Trial/Appeal according to Form 1 with Statement of Costs according to Form 2 and a document required for clarification of the amounts of costs (Enforcement Regulations of the Patent Act Article 50-7, Rules of Civil Procedure Article 24(2)).

(4) If requested, a trial clerk shall conduct a clerical work for it.

2. Formality Examination of Request for Determination of Amount of Costs

When there is a request for determination of the costs, a record of the case is borrowed from the National Center for Industrial Property Information and Training to check required items in the request against the record and to examine deficiencies in the request, and if there is a deficiency, a notice of reasons for dismissal or an order of amendment is issued.

(1) For a burden of the costs, if there is a collation mismatch in a conclusion of trial/appeal decision and a petition in the request, an amendment is ordered to be consistent with a conclusion of a trial/appeal decision.

(2) An address and name of a requester and the other party

If there is a deficiency, an amendment shall be ordered.

(3) A power of attorney if there is an agent

If a request does not include a power of attorney (except a case where there is an authorization for the case), an amendment shall be ordered.

(4) Presence or absence of submission of duplicates equivalent to the number of the other parties

If there are not enough duplicates, an amendment shall be ordered.

(5) When items of a statement of costs exceed a scope of costs (→47-03), or the amount requested exceeds the designated amounts, an amendment shall be ordered.

(6) Status of whether the case becomes final and binding

When a case is pending, notify reasons for dismissal and dismiss a request.

3. Preparation and Service of Written Demand

(1) When a formality of request for determination of amount of costs is completed, a letter of demand is prepared according to Form 3, and after obtaining an approval, it is served to the other party with each duplicate of a statement of costs and a document clarifying the amount of costs. An opportunity of submitting a statement of opinion is given to the other party by designating an appropriate period in consideration of circumstances.

However, in a case where only the other party bears costs for a trial/appeal, when a burden of costs which is borne by a requester is clear on record (for example, bearing only a handing fee for a trial for rescinding a registration of trademark), this shall not apply to the case (Patent Act Article 169(2), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4), Rules of Civil Procedure Article 25(1)).

(2) When a statement of opinion is submitted by the other party to a letter of demand, calculate the trial/appeal costs based on a statement of costs of a requester and a statement of opinion of the other party after a duplicate of the statement of opinion is served to a requester. When a statement of opinion is not submitted by the other party, calculate the costs only based on a statement of costs of a requester (Patent Act Article 169(2), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4), Rules of Civil Procedure Article 25(2), Enforcement Regulations of the Patent Act Article 50-8).

4. Determination of Amount of Costs for Trail/Appeal

When the amount of costs is determined, a determination letter of the amount of costs for trial/appeal is prepared according to Form 4, and after obtaining an approval, a certified copy thereof shall be served to parties after affixing a seal overlapping two pages of the copy for authentication.

(Revised Dec 2020)

Form 1

Request for Determination of Amount of Costs for Trial

(Date:)

To: Commissioner of the JPO

1. Trial/Appeal No.

Invalidation 20XX – 800XXX

2. Requester (Trial Demandant)

Address:

Name:

3. Agent

Address:

Name:

4. The other party (Trial Demande)

Address:

Name:

5. Purport of Request

Regarding the above trial case, a trial decision is rendered on (D/M/Y) and it is requested to determine the amount of costs for the trial according to the statement of costs.

6. List of Attached Documents

- | | |
|--|-----------------|
| (1) Statement of costs | X copy (copies) |
| (2) Document clarifying the amount of costs | X copy (copies) |
| (3) Copy of a certified copy of trial decision | X copy (copies) |
| (4) Duplicate of a request for determination of
the amount of costs for trial | X copy (copies) |
| (5) Power of Attorney | X copy (copies) |

Form 2

Statement of Costs

Identification of Case

Invalidation 20XX-800XXX

Amount for Payment JPY56, 500

(Statement of Items)

1. Revenue stamp fee affixing a demand for trial (a handling charge)

JPY 55,000

2. Preparation and Submission fees for a written demand for trial and other documents

(Basic fee + Additional fee + Additional fee) x O JPY 1,500

Form 3

Letter of Demand

Date:

The Other Party (Demandant(Demandee of Trial)

Mr./Ms. XXXXXX

Commissioner of the JPO

Invalidation 20XX-XXXXXX

Requester (Trial Demandant (Demandee)

Address

Name

Agent Attorney of Requester

Address

Name

The Other Party (Trial Demandant (Demandee)

Address

Name

Regarding the above case, a demandant (demandee) for the trial has submitted a petition for requesting a determination of the amount of costs for the trial and has submitted the statement of costs in a separate sheet. Then, a statement of opinion against the statement of costs shall be submitted within 60 days on which this notice was dispatched.

If a statement of opinion is not submitted within the designated period, please be advised that only documents submitted by a requester (trial demandant (demandee)) may be a basis of the determination of the costs.

If you have any inquiry on the notice, please contact below.

Infringement and Invalidation Affairs Office,

Trial and Appeal Department, Japan Patent Office

[Tel:03\(3581\)1101](tel:03(3581)1101) Ext.xxxx

Fax:03(3580)xxxx

Form 4

Invalidation 20xx- 8000xx

Determination Letter of Amount of Costs for Trial

Requester (Trial Demandant (Demandee))

Address

Name

Agent Attorney of Requester

Address

Name

The Other Party (Trial Demandant (Demandee))

Address

Name

A requester requests a determination of the amount of costs for the trial, and the request is considered appropriate, and it is determined as follows.

Main Text

It is determined that the amount of costs which should be borne by the other party is 00.000 yen as stated in the attached statement of costs according to a trial decision made on (D/M/Y).

(Teaching based on Administrative Complaint Review Act Article 57)

When dissatisfied with this disposition, an opposition may be filed under Administrative Complaint Review Act against Commissioner of the JPO within 60 days from the day following the day of receiving this notice.

(Teaching based on Administrative Case Litigation Act Article 46)

An action against this disposition may be filed against the government as defendant (for lawsuits, the Minister of Justice shall represent the

country) within 6 months from the day following the day of receiving the decision of the opposition on this disposition.

An action against this disposition may be filed after the decision of the opposition on this disposition is rendered; provided, however, this shall not apply for a case falling under any of the cases below and an action may be filed against this disposition without obtaining the decision of the opposition: (1) when no decision is made even after 3 months have been passed from the filing date of the opposition, (2) when there is an urgent necessity to avoid significant damages that would be caused by the disposition, the execution of disposition, or the continuation of the proceedings, or (3) when there are other reasonable grounds for not obtaining the decision.

Patent No. OOO (D/M/Y)

(D/M/Y)

Commissioner of Patent Office (name and seal)

If you have any inquiry on the decision, please contact below.

Infringement and Invalidation Affairs Office,

Trial and Appeal Department, Japan Patent Office

[Tel:03\(3581\)1101](tel:03(3581)1101) Ext.xxxx

Fax:03(3580)xxxx

(Revised June 2020)

47-03 P U D T
Scope and Calculation of the Costs in Connection with
Trial/Appeal

1. Scope of Costs for Trial and Appeal

A scope of costs for a trial/appeal is governed by the relevant provisions under Act on Costs of Civil Procedure (except provisions in Chapter 2, Section 1 and Section 3 of the Act) unless it is contrary to the nature (Patent Act Article 169(6), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4)).

Items to be calculated as costs for a trial/appeal is below.

- (1) Costs for preparation and submission of a written demand/request for trial/appeal and other documents
- (2) Translation fee
- (3) Handling fee for a trial/appeal
- (4) A fee for a patent attorney ordering representation under Patent Act Article 13 (Utility Model Act Article 2-5(2), Design Act Article 68(2), Trademark Act Articles 77(2))
- (5) A daily allowance, travel expenses, and an accommodation fee for a party and an agent who appears on the date
- (6) A daily allowance, travel expenses and an accommodation fee for a witness, an expert, an interpreter, and an explainer of a written expert opinion specified in Code of Civil Procedure Article 218(2).
- (7) A fee for an expert opinion, a fee for an interpreter
- (8) Travel expenses and an accommodation fee for an administrative judge and a trial clerk for an on-site verification.
- (9) Costs required for preservation of evidence
- (10) Others

Regarding (6), (7), (8), (9), a person who requests an examination of evidence shall pay an estimated amount in advance (Patent Act Article 169(6), Utility Model Act Article 41, Design Act Article 52, Trademark Act Articles 56(1), 68(4), Act on Cost of Civil Procedure Article 12).

2. Calculation of Costs for Trial/Appeal

A case in which there is a request for determination of an amount of costs of trial/appeal shall check and adjust a trial record, a statement of costs of a requester and a statement of opinion of the other party, and calculate an item within a scope of costs (→1.) according to the following procedural steps pursuant to the standards provided by Act on Costs of Civil Procedure and Rules of Costs of Civil Procedure. The valuation shows a valuation at the time of payment.

(1) Based on a trial record, research and calculate an individual cost item paid by a requester and the amount thereof.

(2) Cost items in a statement of costs submitted by a requester and the amount thereof is checked with the calculation of (1). If there is discrepancy in an item or calculation, an amendment shall be ordered.

(3) When a letter of demand is issued to the other party and a statement of opinion is filed, the statement of opinion is checked with a statement of costs submitted by a requester, and if matters that recognized having a reason, the statement of costs shall be corrected based on the statement of opinion of the other party.

(4) When each item and amount in the statement of costs submitted by a requester become appropriate by the above procedures, calculate total amount, and then an amount of costs shall be determined. However, this total amount may not be exceeded an amount requested by a requester.

3. Points to Consider

(1) Costs required for receiving documents from government offices are provided under the provision of Act on Costs of Civil Procedure Article 2(7). A fee for receiving a document from a government office for utilizing the document as documentary evidence (such as a certified copy of register evidencing the ownership, a family register evidencing inheritance, etc.) does not fall under the above provision and it is interpreted as not included in costs for litigation.

A certified copy of the patent registry issued by a government office is usually used as documentary evidence and a fee for issuance of the certified copy of the patent registry does not fall under the above provision and it is interpreted as not included in costs for trial/appeal.

(Reference: “MINJI JITSUMU KOUGIAN II (Lecture for Civil Procedure and Practice II) (3rd revised edition) p.137 (Chapter 3 Litigation Costs 5. Procedures for Determination of Amount of Litigation Costs 4(3)㉞(イ) d)”))

(2) The shortest distance in calculation of travel expenses for parties, etc. is to follow the provision of Act of Costs of Civil Procedure Article 2(4). When a place of appearance is the JPO, a reference point for calculation is Tokyo Summary Court and when a circuit trial, a reference point for calculation is a summary court under the jurisdiction of the place of circuit trial.

This applies to travel expenses for an agent.

(3) Costs for preparation and submission of a demand/request for trial/appeal and other documents shall be calculated by the following calculation method under Act on Costs of Civil Procedure.

{basic amount ❶ + (addition depending on the number of copies of a complaint and a preparatory document, etc. ❷)+(addition depending on the number of copies of a copy of documentary evidence ❸)} × the number obtained by dividing the number of the other parties to whom the documents should be sent by 5 ❹

(See the attached table)

According to Act on Costs of Civil Procedure, costs are finally calculated adding an amount considering “the number of the other parties”, therefore, subject documents are basically considered to be sent to the other parties. Then, when calculating an amount of costs for preparation and submission of a written demand/request for trial/appeal and other documents to the JPO, subject documents shall be basically ones which are served or sent to the other parties.

Therefore, a complaint or a preparatory document, etc. provided in said Rules on Costs of Civil Procedure corresponds to a document to be served or sent to the other party such as a demand/request for trial/appeal or a written reply. Similarly, documentary evidence provided in said Rules on Costs of Civil Procedure corresponds to documentary evidence such as Exhibit A-1 attached to a document to be served or sent to the other party such as a demand/request for trial/appeal or a written reply as stated above (including all documentary evidence to be served or sent, even if they are reference materials).

In calculation of the number of the other parties, it is appropriate to add by one (for the JPO) to the number of the other parties since a duplicate copy for the proceedings shall be requested under Enforcement Regulations of the Patent Act Article 50-4.

Appendix

Basic amount①		1,500円
Written request, etc.②	When the number of copies of document exceeds 5, every 15 copies after exceeding the number	1,000円
Copy of documentary evidence③	When the number of copies of document exceeds 15, every 50 copies after exceeding the number	1,000円
Number of the other parties④	A number obtained by dividing the number of the other parties to whom the documents should be sent by 5 (If there is a fraction less than 1, round up to 1)	

(Specific example)

For example, when there are 4 copies of a written request and 20 copies of a copy of documentary evidence are submitted and the number of the other parties to whom the documents should be sent is 2, a calculation of the costs for preparation and submission of the documents shows below.

$$\begin{array}{ccccccc}
 & & & & * & (2+1) / 5 = 0.6 & \text{round up to } 1 \\
 (1,500\text{円} & + & 0\text{円} & + & 1,000\text{円}) & \times & 1^* = 2,500\text{円} \\
 \uparrow & & \uparrow & & \uparrow & & \uparrow \\
 \text{Basic} & & \text{Addition of} & & \text{Addition of} & & \text{Number of} \\
 \text{amount}① & & \text{number of copies}② & & \text{number of copies}③ & & \text{the other parties}④
 \end{array}$$

(Revised Feb 2015)