

## 51-15 P U D T

### **Proceedings After Refutation of a Demandant**

1. Proceedings After the First Refutation (an Argument Against the Answer) of a Demandant

(1) Proceedings of the formalities

A chief administrative judge and the panel examine the formalities of a written refutation (Enforcement Regulation of the Patent Act Article 47 3(1)), a written amendment of a written request for trial and a written opinion submitted by the demandant, and if there are any deficiencies, order an amendment, etc. (→21-00).

(2) Basis of the merits proceedings

If there is no deficiency in the formalities of the document, and the deficiency is corrected, the proceedings shall be conducted based on this document.

At this stage, any amendment to change the gist of the written request for trial is prohibited except as otherwise provided (the Patent Act Article 131-2(1)(2); the Utility Model Act Article 38-2(1)(2); the Design Act Article 52). First, it is examined whether the method of attack (such as a written refutation, a brief of an oral proceedings statement, a written amendment of a written request for trial, or a written opinion) submitted by the demandant constitutes a new invalidity reason that is equivalent to the amendment to change the gist of the reason for request listed in the original written request for trial. Next, when the gist of the reason for request is changed, it is examined whether the change is acceptable (for gist change → 51-16).

Even if the demandant's attack is conducted by a written refutation or a brief of an oral proceedings statement, etc., the same requirements are imposed as those for amendment permission to change the gist; in other words, it is similar to the way a written amendment is imposed, as it is substantially equal to the amendment of the reason for request written in the original document.

As a result of the examination, if it does not constitute a new reason for invalidation

equivalent to the change in the gist of the reason for request, or if it is a change in the gist of the reason for request but needs to be permitted, it will be the basis of the proceedings. Meanwhile, when it constitutes a new reason for invalidation equivalent to the change in the gist of the reason for request and is not to be authorized by the chief administrative judge, it will not be the basis of the proceedings.

## 2. Case of Not Including an Amendment that Changes the Gist of the Reason for Request

When the demandant's method of attack does not include amendment matters that change the gist of the reason for request, it usually does not need to request the demandee submitting a written answer again, and the oral proceedings can thus begin. However, if it is necessary to request a resubmission of a written answer because of special circumstances, it is possible to encourage the demandee to submit a written answer again within a specific period of time by sending a duplicate of a written refutation, a written amendment, etc. prior to the oral proceedings. . In this case, a new reason for invalidation is not constituted; therefore, usually, the provision of an opportunity to answer under the enforcement regulations that cannot request for correction is applied (Enforcement Regulation of the Patent Act Article 47-2(1); the Regulation under the Utility Model Act Article 23(12); the Regulation under the Design Act Article 19(8); the Regulation under the Trademark Act Article 22(6)).

In contrast, when the documentary proceedings are conducted exceptionally, it is determined whether the time is ripe to make a trial decision. If the time is ripe, an advance notice of a trial decision (patent) will be given, or the proceedings will be concluded to make a trial decision. For both cases of the advance notice of a trial decision and the proceedings' conclusion, a duplicate—such as the written refutation/written amendment of the written request for trial—is sent with a notice of the advance notice or of the conclusion of the proceedings to the demandee, but it does not prompt the submission of an answer. Additionally, if it is determined that the time is not yet ripe to make a decision, a duplicate of the written refutation/written amendment of the written request for trial is sent to the demandee. Then, after

specifying the appropriate period (normally 30 days (50 days for overseas residents) → 25-01.2), resubmission of a written answer is prompted (Enforcement Regulation of the Patent Act Article 47-2(1)).

If the claim and proof at the time of the refutation does not fall under the change of the gist, the provision of an opportunity to answer under the enforcement regulations (Enforcement Regulation of the Patent Act Article 47-2(1)) can usually be applied. However, it should be noted that even at such times, it is appropriate on occasion to reapply the provision of the first opportunity of statutory answer (the Patent Act Article 134(1)) to provide a request for correction.

### 3. Case of Including an Amendment that Changes the Gist of the Reasons for Request

(1) Requirements that allow amendments to change the gist (referred to as “requirements for permission to amend”) (the proviso of the Patent Act Article 131-2(1), 131-2(2); the proviso of the Utility Model Act Article 38-2(1), 38-2(2); the Design Act Article 52→the Patent Act Article 131-2 (except the Patent Act Article 131-2(2)(i)) Requirement 1: “It is obvious that the amendment does not unduly delay the proceedings” and

Requirement 2: “(1) There has been a request for correction under Article 134-2, paragraph 1, in the trial for invalidation of patent, and it has become necessary to amend reasons for request due to the request for correction.

(2) A rational reason exists for not stating the reason for request for concerning an amendment in a written request at the time of request for a trial, and the amendment has been agreed upon by the demandee.”

Thus, the chief administrative judge approves that there is a reason that falls under either (1) or (2).

A. There is no risk of a delay in the proceedings (Requirement 1) (a main paragraph of the Patent Act Article 131-2(2))

When an amendment that was made late without amending the reason for request at

the given opportunity for refutation, or an amendment that adds a reason for request not obviously constituting a proper reason for invalidation, it would only cause a delay in the proceedings; therefore, such amendments violate this requirement (see Examples 1–3 below).

(Example 1) When it is recognized that the reason for request replaced or added by the amendment does not constitute an appropriate reason for invalidation

(Example 2) When the reason for request added is substantially the same as that for reasons for invalidation constituted by the previously submitted facts or evidences

(Example 3) When it is necessary to give an additional opportunity for an answer to a demandee provided that the amendment is permitted, in case that the amendment is made late without amending the reason for request at the given opportunity for refutation

B. Attributable to the request for correction (Requirement 2) (the Patent Act Article 131-2(2)(i)) (patent)

It must be the amendment of the reason for request which should be attributable to and necessitated by a request for correction for patent, but taking advantage of adding a new reason for invalidation is not permitted, for example, regarding a claim that does not require correction in the request for correction.

(Example 1: Permission) In a case where an attempt is made to correct matters specifying the invention (A and B) relating to claims subject to a trial for invalidation into (A, B, and C) by a correction request corresponding to the reduction of the claims, when newly asserting that the corrected invention (A, B, and C) as well as the prior art corresponding to (C) as an evidence have an invalid reason based on the inventive step violation, it can be said that the necessity for amending the reason for request has arisen due to the correction mentioned above.

(Example 2: Non-permission) In a case where only claim 1 is subject to a request for correction, when asserting that reasons for invalidation not only on the basis of the inventive step violation as per a new evidence A against the corrected claim 1, but also on the basis of a lack of the inventive step as per a new evidence B against claim 2

which has not been corrected by taking advantage of the corrected claim 1, it cannot be said for the latter that the necessity for amending the reason for a request has arisen due to the correction. Moreover, when newly asserting the reason for invalidation for description deficiency in the description of the specification that is not corrected and not affected by the correction of claims, it cannot be said that the necessity for amending the reason for request has arisen due to the correction.

C. Rational reason not to be stated (Requirement 2) (the Patent Act Article 131-2(2)-(ii))

(A) When a submission of a patentee's written answer makes clear at the first time the interpretation of the claims, etc. of the patent invention claimed by the patentee and another reason for invalidation could be constituted based on the patentee's view of its interpretation, the demandant additionally alleges the reason for invalidation. However, when the description of the claims, etc. is clear and the interpretation of the claims by the patentee stays in normal interpretation, thereby the demandant for the trial for invalidation can naturally expect the interpretation, this shall not apply.

(Example) In a case where the reason for invalidation based on the violation of inventive step (the Patent Act Article 29(2)) was asserted for the reasons for request in the initial statement, but the patentee has answered that the claim should be interpreted in a limited manner and therefore has inventive step against the prior art, when the demandant argues to the effect that the amendment of the claim made before granted the patent violates the requirement for prohibition of adding new matter (the Patent Act Article 17-2(3)), according to the interpretation of the claim made by the patentee, a rational reason exists for not stating the refutation on the original written request for the trial.

(B) If the information under a third party's control (such as a client of the demandant for the trial for invalidation) is required as the grounds of the reasons for request for the trial for invalidation, and it took time to obtain the third party's consent to present the information in a trial for invalidation. However, rational reasons that requested the trial for invalidation are necessary prior to obtaining the consent. (Additionally, if the

initial reasons for request in a written request for an invalidation trial, which should be other than those based on the information available from the third party, are not described in the form of satisfying the description requirements as the “facts on which they are based for the patent invalidation”, this description violates the description requirements for the reasons for request.)

(C) When the demandant has asserted that the evidence could not be included in the reason for the original request for a trial for invalidation because a prior art document is described in a rare language, this assertion, however, cannot be approved as a rational reason that the original request for the trial for invalidation did not state the reason for the request. Another rational reason must be explained for the necessity that the trial has been requested without obtaining the prior art document of a rare language.

(2) In the case of not permitting amendments

When a demandant’s method of attack includes an amendment that changes the gist of the reason for request, regardless of a type of the document, the chief administrative judge cannot approve the amendment if the amendment does not satisfied the above-mentioned requirements for permission to amend.

Meanwhile, when the amendment satisfies the requirements for permission to amend, usually the amendment may be permitted; however, because the permission is at the discretion of the chief administrative judge, if the chief administrative judge has found that the amendment should not be permitted considering individual circumstances, it may be disapproved.

If the amendment may not be permitted, any arguments and evidences corresponding to the unauthorized amendment item will not be adopted as an effective method of attack for the proceedings’ basis, so only an effective attack and defense will be considered and examined.

When sending documents to both parties, a written decision for permission to amend indicating the amendment is not permitted (Enforcement Regulation under the Patent Act Article 47-5) shall be prepared and sent at the same time, or a decision for permission to amend shall be made at the oral proceedings.

(3) In the case of permitting amendments that do not require a confirmation of the demandee's consent

When the demandant's method of attack contains an amendment that changes the gist of the reasons for request, but it is clear that such amendment is not likely to delay the proceedings (the main paragraph of the Patent Act Article 131-2(2)) and the amendment is required due to the request for correction (the Patent Act Article 131-2(2)(i)), the chief administrative judge may approve the amendment.

When allowing an amendment to change the gist of the reasons for request, the demandee is prompted to submit a second written answer within a reasonable time period (normally 30 days (50 days for overseas residents) → 25-01.2) by applying the statutory provision of the Patent Act Article 134 (2) where a request for correction may usually be filed. At that time, a decision for permission to amend indicating the amendment is permitted (Enforcement Regulation under the Patent Act Article 47-5) is made and sent to both parties, and a duplicate of the written refutation and the written amendment, etc. of the written request for trial are sent to the demandee.

However, "when there are special circumstances that are not deemed necessary to give the demandee an opportunity to submit an answer" listed in (A) and (B) below (the proviso of the Patent Act Article 134(2)), it is appropriate to proceed with the oral proceedings.

(A) When it is recognized that the patent cannot be invalid even by the arguments and evidence concerning the amendment item

(B) When the patent is determined to be invalid based on the reason for invalidation that the demandee has already received the opportunity to defend, such as an argument or correction, at the previous opportunities to answer.

If the case corresponds to the above "when there are special circumstances," but if it is deemed appropriate to ask more opinions, the submission of a written re-answer is prompted by applying the provisions of the opportunity to answer under the enforcement regulations (Enforcement Regulations under the Patent Act Article 47-2(1)), and the above documents will be sent.

When it is determined that the time is ripe to make a trial decision, an advance notice of trial decision (patent) is given, or the proceedings are concluded and the trial decision is made; when an advance notice of trial decision is to be sent, the above documents are to be sent at the same time. When the proceedings are to be terminated, the above documents are to be sent along with the notice.

(4) In the case of making a decision on approving or disapproving the amendment after confirming the demandee's consent

If the demandant's method of attack includes an amendment item that changes the gist of the reason for request but it is clear that it is not likely to delay the proceedings (the main paragraph of the Patent Act Article 131-2(2)) and furthermore, a rational reason exists for not stating the reason for the request for amendment at the time of the request for the trial (the first sentence of the Patent Act Article 131-2(2)), the chief administrative judge may approve the amendment, subject to the demandee's consent (the second sentence of the Patent Act Article 131-2(2)).

In this case, the chief administrative judge confirms the demandee's consent (Enforcement Regulations under the Patent Act Article 47-4). Under this situation, when it is considered appropriate to make a decision on allowing the amendment after hearing the demandee's opinion on compliance with its requirement in advance, the demandee's said opinion may be sought in conjunction with the confirmation of the consent (in this case, confirmation of consent includes asking for a petition containing an opinion to that effect).

(5) Procedures for the confirmation of consent

The chief administrative judges sends a document (a written refutation, a brief of an oral proceedings statement, a written amendment, a written opinion, etc.) stating the demandant's method of attack to the demandee, and notifies of "confirmation of consent"; then, the demandee is given an opportunity to submit a "written reply for consent" (Enforcement Regulation under the Patent Act Article 47-4(1); Enforcement Regulation under the Design Act Article 19(8)) by specifying a reasonable time period (normally 30 days (50 days for overseas residents) → 25-01.2). Additionally, when



confirming the consent in oral proceedings, it is sufficient to confirm the intention of the consent in the oral proceedings, and there is no need in writing (the proviso of the Regulation under the Patent Act Article 47-4(1); Enforcement Regulation under the Design Act Article 19(8)).

In response to a notice of the confirmation of consent by the chief administrative judge, a demandee needs to submit a written reply for consent, clearly stating whether the demandee is consent or is not consent to the amendment within the designated period for reply (the Regulation under the Patent Act Article 47-4(1)(2), form 63-5; the Regulation under the Design Act Article 19(8)).

In addition to express consent or disagreement, the demandee may also describe an opinion (for example, that there is no rational reason for not including reasons for the request for amendment initially, or that the matter of amendment delays the proceedings because it does not constitute an appropriate reason for invalidation) on the suitability of other amendment permission requirements in the written reply for consent.

If the demandee expresses disagreement, the chief administrative judge cannot permit the amendment as the amendment permission requirement is not satisfied. Meanwhile, if the demandee agrees to the amendment, the chief administrative judge may permit the amendment as long as other requirements for permission of amendment are satisfied.

If the demandee does not clarify consent or disagreement of the amendment within the period for reply, the chief administrative judge may allow the amendment and proceed with the proceedings as if consent had been obtained. However, as with the reason for invalidation of the ex-officio, when the patent is invalidated for the reason for request relating to permission for amendment, the demandee must be given opportunities to answer to the reason for request and to request for correction (the Patent Act Article 134(2)).

#### 4. Decision of Approving or Rejecting an Amendment

##### (1) Unit of the decision of approving or rejecting an amendment

In the case where the demandant's method of attack includes an amendment item that

corresponds to the change in the gist of the reason for the request and an amendment item that does not constitute it, or of the amendment items that change the gist of the reason for the request, the amendment items that can be permitted and those that cannot be permitted are included, if the entire method of attack is not permitted, there is the possibility that it may be harsh for the demandant and may hinder accurate proceedings.

Therefore, the determination on the change of the gist and the decision on approving the amendment shall be made in units of the amendment item, even if part of the amendment item is a gist change and is not permitted. The whole amendment is not disapproved.

(2) Decision of approving or disapproving amendment to the reason for the request (the Patent Act Article 131-2(2); the Design Act Article 52)

Decision of approving or disapproving amendment to the reason for the request is made in a document, and a certified copy of the decision is sent to the parties and intervenors (Enforcement Regulations under the Patent Act Article 47-5; Enforcement Regulations under the Design Act Article 19(8)).

If an amendment is denied in the decision of approving or disapproving the amendment, after identifying amendment items subject to the decision, which have been determined to change the gist of the request (the Patent Act Article 131-2(1); the Design Act Article 52) and are rejected, the conclusion that the amendment items are disapproved shall be described in the document.

If an amendment is permitted, except when necessary, it is sufficient to identify the method of attack (a refutation, a written amendment, a written opinion, etc.), including the amendment items without specifying those that need to be permitted, and to describe the conclusion that the amendment items included in the method of attack are permitted.

In the decision of approving or disapproving an amendment, it is sufficient to describe the conclusion, but it is not necessary to explain the specific reason for the conclusion. However, in a trial decision not to permit the amendment, the trial decision should state that the amendment of the reason for request, which has become the basis of the decision of disapproval, changes the gist of the request, thus indicating the reason

for the decision. (When the demandant does not contest against said trial decision, a brief description is acceptable.)

An appeal against the trial decision of approving or disapproving of an amendment cannot be filed pursuant to the Patent Act Article 131-2(2) (the Patent Act Article 131-2(4); the Design Act Article 52).

### (3) Handling of oral proceedings

Consent Confirmation of consent, response of consent, and decision of approving or disapproving an amendment can be conducted orally at the oral proceedings and shall be described in the record. The content of the decision of approving or disapproving the amendment described in the record shall be the same as in (2).

## 5. Proceedings After the Second Answer of the Demandee

The process of the proceedings in the re-written answer stage is basically the same as the “proceedings after the first answer” (→ 51-13), but pay attention to the following points in particular because of the second answer.

### (1) Proceedings of the formalities

When a re-written answer invitation is made under the enforcement regulations (Enforcement Regulations under the Patent Act Article 47-2(1)), a request for correction cannot be filed. Therefore, if a request for correction is filed by mistake, the chief administrative judge notifies the reason for dismissal as an unlawful request for correction and then dismisses the request by the decision (the Patent Act Article 133-2; the Utility Model Act Article 41; the Design Act Article 52; the Trademark Act Article 56(1), 68(4)).

### (2) A response of the parties against the decision of approving or disapproving an amendment

With regard to the previously made decision on permitting the amendment, even when the demandee has made a complaint in the re-answer, the decision of the chief administrative judge cannot be appealed (the Patent Act Article 131-2(4); the Utility Model Act Article 38-2(4); the Design Act Article 52). Therefore, the panel does not

have to consider the appeal.

Meanwhile, when the decision not to permit the amendment has already been made, it does not prevent the demandee from making a preliminary argument against the demandant's allegation and proof regarding the amendment items that were not permitted by the decision.

### (3) Handling a request for another correction

If a request for another amendment is made, the request for the previous correction is deemed to be withdrawn (the Patent Act Article 134-2(6)). Usually, the patent specification is used as a reference to examine the latest correction.

### (4) Procedure after re-answer

The panel proceeds with the proceedings based on the idea of "Proceedings after the first answer" (→51-13 1.(3)). With regard to giving the demandant an another opportunity for refutation at this stage, , the panel shall judge by considering that there has already given the demandant an opportunity for refutation in addition to filing the original request for a trial for invalidation., and a prompt trial decision shall be desired.

## 6. Proceedings After the Second Refutation of the Demandant

The process of the proceedings in the second refutation stage is basically the same as those mentioned in above 1. However, the following points are particularly noted in a second refutation stage.

### (1) The party's response against the decision of approving or disapproving the amendment

It is also conceivable that the demandant may appeal in the second refutation regarding the decision for disapproving an amendment that is already made. However, there is no need to consider such a petition because it is not possible to appeal against the decision to approve or disapprove the amendment under the Patent Act Article 131-2(2) (the Patent Act Article 131-2(4); the Design Act Article 52).

### (2) Procedure after the second refutation

Furthermore, with regard to giving the demandee an opportunity to answer at this stage, considering that the demandee has already been given opportunities to answer and to request for correction, and also an opportunity to correct for the advance notice of trial decision, the judgment shall be made with the aim of a prompt trial decision.

#### 7. Request for a Trial for Invalidation Based on the Late-Coming Reasons for Unregistability

(1) When requesting a trial for invalidation of a trademark registration falling under a late-coming reason for unregistability pursuant to the Trademark Act Article 46(1)(vi), the reason for the request for a trial should state the fact that the registered trademark regarding the designated goods or services under the request falls under said reason for invalidation, and means of proof must be also submitted. Specifically, it is necessary to clarify in the reason for request and the means of proof, that the date (y/m/d) when said late-coming reason for invalidation has become applicable, and that the fact falling under the reason for invalidation continues even at the time of the request for trial.

(2) With regard to a late-coming reason for invalidation under the Trademark Act Article 46(1)(v), the means of proof are necessary to prove the date (y/m/d) when said late-coming reason for invalidation has become applicable.

(3) Even if a trademark registration falls under a late-coming reason for invalidation under the Trademark Act Article 46(1)(v) or (vi), it does not always identify the date(y/m/d) when said reason for invalidation has become applicable. For instance, if the registered trademark is a trademark that might cause misleading as to the product's quality (the Trademark Act Article 4(1)(xvi)) because of a change in the actual situation of the product transactions after registration of the trademark, it is considered extremely difficult to identify the date when it falls. In such a case, it is necessary that the fact is clarified to be true, at least at the time of the request for the trial for invalidation.

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