

Results of User Consultation on Substantive Patent Law Harmonization in Japan

National consultation method

- The patent system harmonization packages by IT3, FICPI, and AIPPI include very complex elements, which are further complicated by the interconnectedness of the elements in the overall package. In order to properly understand and evaluate such harmonization packages, it is necessary to obtain the opinions of those who are knowledgeable not only about the patent system in their own country, but those in other countries as well.
- Consequently, the JPO selected several user organizations with sufficient knowledge of patent systems, and held individual meetings in order to hear their opinions on the patent system harmonization packages (IT3 Elements Paper, AIPPI Resolutions and FICPI Proposal).
- During these individual meetings, we gave a brief explanation of each patent system harmonization package, and then asked users for their opinions.

Responses

1 . Complexity of the patent system harmonization packages

◆ Some of the newly proposed systems, including the Defense for Intervening User (DIU) in the IT3 package, are considered to be complex and difficult to implement in practice. Consequently, users hope that discussions will take into account the perspective of user-friendliness.

- (GP, IT3) The IT3 Elements Paper's presumption for determining whether or not third-party intervention disclosure is derived from an earlier original Applicant/Inventor PFD is not clear from the definition of "insignificant differences". Rather, the legal uncertainty is increased. Therefore, this proposal is unacceptable from a practical standpoint.
- (GP, IT3) When considering whether the content of the third-party intervention disclosure is the same as or involves insignificant differences with respect to the content of an earlier original Applicant/Inventor PFD, it is necessary to compare the contents of both (i.e., academic papers and related product information). We would like to ask, then, whether it is possible from a practical standpoint for examiners to compare both types of content, and then decide whether they are presumed to be either identical, or involve only insignificant differences. In the end, examiners will consider differences between the earlier original Applicant/ Inventor PFD and the third-party intervening disclosure as not comprising "insignificant differences", and will issue a notice of reasons for refusal while citing the third-party disclosure as prior art in the usual manner. The applicant who receives such notices will then always have to rebut them, and based on such rebuttals, the examiner will essentially decide for the first time whether or not the differences truly are "insignificant". This being the case, would it not be overly burdensome for users to implement this presumptive rule in practice?

- (GP, IT3) Regarding the IT3 Elements Paper, the proposed systems to encourage timely submission of the grace period statement (e.g. administrative fees, DIU, etc.) are co-existent, even though the submission of the statement is mandatory. Therefore, we believe that there is a contradiction within the IT3 Elements Paper.
- (Accelerated Publication, IT3) With regard to "Accelerated Publication" as proposed in the IT3 Elements Paper, which refers to a system wherein patent applications to which the proposed grace period system applies are published 18 months after the date of the Pre-Filing Disclosure (PFD), it seems difficult to identify the date of the PFD. In addition, uncertainty exists insofar as the publication date of the application is not determined until the statement for the grace period is submitted. Furthermore, identifying the date of the PFD is a factual issue that is disputable, and could be challenged in court. Therefore, these factors would increase legal uncertainty.
- (DIU, IT3) The requirement to inform the IP Offices of the PFD proposed by IT3 is burdensome not only to applicants, but also to IP Offices. For this reason, we think that the patent system harmonization package by IT3 is difficult to realize from a practical standpoint.
- (DIU, IT3) We believe that the DIU system is challenging to implement because of the difficulties that exist with respect to understanding the period during which DIU occurs.
- (DIU, IT3) The DIU system is too complex, as it is a further exception to the exception rule.
- (PUR, IT3) We believe that the newly-proposed Derived PUR system in the IT3 Elements Paper is not as effective as it could be for its complexity.
- (General comment, IT3) We believe that the IT3 Elements Paper is not feasible, insofar as it includes proposals that would require many legal changes to current patent law.

- (General comment, IT3/FICPI/AIPPI) As users, we prefer a system that is simple, and easy to both understand and operate.

2. Method for conducting discussions on patent system harmonization

◆While users understand the significance of discussing the package as a whole, they note that it would be effective to have an in-depth discussion on individual elements, focusing on those such as the Grace Period. They further note that we should consider the manner through which to proceed with such discussions.

- It is realistic to proceed with the discussion of substantive patent law harmonization through repetition of the following subjects: individual topics → patent system harmonization packages as a whole → individual topics → packages as a whole →

3. Importance of patent system harmonization

◆While users understand that discussions on substantive patent law harmonization are very difficult, they would appreciate it if Group B+ members would continue these discussions.

- We understand that it is difficult to reach a consensus within the discussion among IP Offices regarding substantive patent law harmonization, but we would like for this discussion to be continued since it is very important for users.

- If patent systems are harmonized internationally, users will be able to adopt a globally consistent patent strategy.
- In addition, every time a client files a patent application in a foreign country, patent attorneys explain the differences among countries with respect to patent systems. If patent systems were to be harmonized, this work would be unnecessary, and patent systems would become more user-friendly.
- We have experiences of obtaining a patent in one country and not in another due to differences existing among various patent systems. We believe that such risks will be reduced if substantive patent law harmonization is achieved.

4. Other opinions

- (PUR, IT3/FICPI/AIPPI) Companies often do business in several foreign countries after preparing to implement their inventions in their home country. When discussing the geographical scope of prior user rights, we would like to ask that these realities be taken into account.
- (GP, IT3/FICPI/AIPPI) Considering the relationship between the applicant and third parties, it is reasonable for the applicant to file a statement from the viewpoint of enabling the third party to know which applications for which a Grace Period has been requested. Therefore, the patent system should be designed to ensure that a statement for the grace period must be submitted by an applicant in a timely manner. In addition, such facts must be disclosed in a manner that third parties are able to be aware of.
- (GP, IT3) The IT3 Elements Paper requires applicants to pay administrative fees if they delay their submissions of statements for the grace period. This would therefore provide applicants with an incentive to a certain extent in terms of submitting their grace period statements in a timely manner. However, depending on how the patent

system is designed, the possibility remains that it could be abused for the purpose of justifying inappropriate submissions of the statements, such as intentional delays or omissions.

- (GP, IT3/FICPI/AIPPI) The Japanese grace period system requires that a statement for the grace period be submitted at the time of filing. Therefore, this system is well-balanced, as applicants enjoy the benefits of the grace period while third parties can also be aware of the fact that applicants filed statements for the grace period in a timely manner by checking patent applications published by the Japan Patent Office. The Japanese grace period system is therefore a good example of a well-functioning system.
- (Conflicting applications, IT3) Regarding the treatment of PCT applications in the IT3 Elements Paper, it is proposed that PCT applications would become Secret Prior Art regardless of whether or not they enter the national phase. This proposal would give the effect of secret prior art to PCT applications that do not actually enter the national phase, thereby unnecessarily excluding subsequent applications. This proposal is therefore a new one that serves to excessively exclude subsequent applications, and we have concerns about this.
- (Conflicting applications, IT3) Regarding the conflicting applications in the IT3 Elements Paper, the effect as prior art is proposed as "novelty + technical common sense". This proposal includes not only "novelty", but also "common general knowledge to one of ordinary skill in the technical field" in the prior art effect. Consequently, we have some concerns that the effect is too broad. We believe that it is appropriate to define the prior art effect as "novelty + substantial identity" .

※GP : Grace Period

PUR : Prior User Rights

PFD : Pre-Filing Disclosure

DIU : Defense for Intervening User proposed in the IT3 Elements Paper