View this email in your browser





## September 2019

Dear Valued Clients and Colleagues,

Sonoda & Kobayashi's bi-monthly Newsletter has been upgraded!

This new version includes an additional section that will provide our experts' views on the latest IP law changes in Japan.

Good reading!

### **Contents**

- · News about Sonoda & Kobayashi
- 1. Webinar "What are important differences between the appeal proceedings at the EPO and JPO"
- 2. Sonoda & Kobayashi is now the official sponsor of the Tsukuba Conference of 2019
- Latest IP News in Japan
- 1. Japan-ASEAN IP Cooperation Deepened
- 2. JPO's Major Update on its Database J-PlatPat
- 3. Japan to Enhance Regulation in Foreign Investment in Technology
- 4. Capcom Wins Patent Lawsuit Against Koei Tecmo
- 5. US-Japan Trade Deal Allows Antitrust Actions on Big Tech
- 6. Tokyo and Osaka District Courts to Introduce Intellectual Property Mediation Service
- 7. Trump: U.S. Reaches Trade Deals with Japan, no Words on Cars
- 8. Adidas Failed to Block Footwear Company's 2-Stripe Mark in Japan
- IP Law Updtates in Japan: Insights from Sonoda & Kobayashi
- 1. Correction of Mistranslations After Grant of a Patent
- 2. 2019 Changes to Japanese Design Law

## - News about Sonoda & Kobayashi -

### 1. Webinar -"What are important differences between the appeal proceedings at the EPO and JPO"

Sonoda & Kobayashi will hold its next webinar <u>"What are important differences between the appeal proceedings at the EPO and JPO"</u> on September 27th, 2019, in collaboration with the EU-Japan Technology Transfer Helpdesk and the Murgitroyd Munich Office.

Our Co-Founder and Partner Dr. Yoshitaka Sonoda will be a speaker of the webinar.

The webinar aims to shed lights on the following questions:

- 1. How do appeals work in both jurisdictions?
- 2. What should applicants know with respect to cost? The likelihood of success?
- 3. What are recent trends and what can be anticipated in the near future?

If you would like to join this webinar on **Friday, September 27th, 2019, at 10:00 AM CET**, please complete the <u>webform</u>.

The deadline for registration is Thursday, September 26th, 2019.

We look forward to your presence online.

## 2. Sonoda & Kobayashi is now an Official Sponsor of the Tsukuba Conference of 2019

Sonoda & Kobayashi is now an official sponsor of the Tsukuba Conference of 2019.

The Tsukuba Conference provides a platform for young researchers, entrepreneurs and other young experts in various fields to share their ideas to reach a deeper understanding of the future of science and technology, and on the wide range of challenges and solutions that science and technology can generate.

In particular, this year's conference will consider: "How do science, technology and innovation contribute to achieving Society 5.0 and SDGs" focusing on various topics on health, medical and social systems, as well as contribution by cutting-edge science and technology in the context of Society 5.0 and SDGs.

The conference will be held from October 2nd to October 4th at the Tsukuba International Congress Center.

# - Latest IP News in Japan -

## 1. Japan-ASEAN IP Cooperation Deepened

August 7, 2019, Ministry for Economics, Trade and Industry (METI)

On August 6, 2019, the Ninth Japan-ASEAN Heads of Intellectual Property Offices Meeting was held in Tokyo. According to METI, the two sides agreed on the following plans, based on the details of the Memorandum of Cooperation (MOC) on Industrial Property concluded in 2012:

- Sharing information on translation issues that may arise in the patent application process so as to meet the demand of the applicants;
- Investigation and research by the Economic Research Institute for ASEAN and East Asia (ERIA) into patent examination systems of Japan and ASEAN Member States in the field of emerging technologies;
- Cooperation in the ascension of ASEAN Member States to the international application system (Madrid Protocol/Hague Agreement) and cooperation in the management thereof;
- · Cooperation in human resource development and management of examination practices; and
- · Cooperation in IP commercialization and awareness-raising of IP.

## Read the full article here

### 2. JPO's Major Update on its Database J-PlatPat

April 25, 2019, Ministry for Economics, Trade and Industry (METI)

The Japan Patent Office (JPO) will significantly improve its database J-PlatPat to become more user-friendly, according to METI. In particular, the new J-PlatPat functions will allow IP users to retrieve data and documents involving IP related examinations, trials and appeals that have been completed on or before the previous day.

Highlights of the new functions are as follows:

- 1. Shortening the time-lag and expanding the scope of retrievable documents
- 2.Expanding the search function of the database
- 3. Improving the quality of machine-translation results
- 4. Providing more easy-to-see view screens

This improvement will allow users to obtain swift and accurate results of examinations, trials, and appeals both filed by one's own companies and other companies, enabling IP users to obtain relevant information in a more effective and efficient manner.

## Read the full article here

### 3. Japan to Enhance Regulation in Foreign Investment in Technology

August 18, 2019, Nikkei Asian Review

According to the Nikkei, Japan will impose restrictions on foreign investments in its high-tech sectors, following the US squeeze on Chinese investors amid the trade war tension.

The new regulations set to be introduced in the coming months add 20 industries onto an approval list where foreign investors will undergo a mandatory government review if foreign investment results in stakes of 10% or more in listed technology companies on a voting rights basis.

The industries added to the approval list are the telecommunications, semiconductor manufacturing, and mobile phone manufacturing sectors.

### Read the full article here

### 4. Capcom Wins Patent Lawsuit Against Koei Tecmo

September 11, 2019, Capcom IR

On September 11, Capcom announced that Japan's Intellectual Property High Court ruled in favor of Capcom in the company's patent infringement lawsuit against Koei Tecmo.

The case was first brought back in 2014, with Capcom arguing that two separate patents had both been infringed. At the time, the judge only recognized the claim for the second patent, but a new ruling has

agreed with both of Capcom's claims.

After a 5-year saga, Japan's Intellectual Property High Court has found that Koei Tecmo had indeed infringed the two patents mentioned in the original suit, and as such must pay Capcom 143.8 million yen (\$1.3 million) to compensate for legal damages and unforeseen expenses.

## Read the full article here

## 5. US-Japan Trade Deal Allows Antitrust Actions on Big Tech

September 13, 2019, Nikkei Asian Review

According to Nikkei, the new bilateral trade deal between the United States and Japan will not require tech companies to divulge software secrets, except in cases of possible antitrust law violations.

According to a draft of the agreement, companies may be compelled to hand over data only in cases in which consumer safety is at risk or in possible violation of competition or privacy laws. Otherwise, forced data disclosures will be banned, the Japanese news organization said. The two countries also agreed not to tariff each other's digital products.

## Read the full article here

### 6. Tokyo and Osaka District Courts to Introduce Intellectual Property Mediation Service

August 11, 2019

The intellectual property divisions of the Tokyo and Osaka District Courts will start an intellectual property mediation ("IP Mediation") service on October 1, 2019.

Through discussion between the parties as well as advice or opinions from a mediation committee which consists of three members - a judge in the IP division and two experts such as IP attorneys, the IP Mediation service aims to resolve IP disputes swiftly.

The <u>statistics</u> by the Japan Intellectual Property Arbitration Center shows that there were less than 5 requests for mediation in recent years. Therefore, the new mediation service may also not be used frequently.

# Read the full article here

### 7. Trump: U.S. Reaches Trade Deals with Japan, no Words on Cars

September 17, 2019, Reuters

Washington has struck trade agreements with Tokyo that could be implemented without congressional approval, according to President Donald Trump.

The automotive sector has been a major source of the \$67 billion US-Japan trade deficit. Mr. Trump's announcement left unclear whether he has agreed not to impose threatened national security tariffs on Japanese vehicles and car parts, which is a critical issue to Japan.

### Read the full article here

## 8. Adidas Failed to Block Footwear Company's 2-Stripe Mark in Japan

September 17, 2019, The Japan Times

Adidas has failed to invalidate Marubeni Footwear's registration for a diagonal 2-stripe trademark in Japan, indicating that Adidas cannot prevent others from registering 2-stripe trademarks in Japan.

Adidas argues that Marubeni's two-stripe trademark would give customers the "same impression" as Adidas's three-stripes "since each stripe is depicted in the same direction, width and shape," making the two logos almost identical besides the stripe count difference.

The JPO held a different view on this matter, as the Opposition Board of JPO ruled that the two-stripes (opposed mark) shall remain valid and dismissed Adidas's claims based on its famous three stripes.

## Read the full article here

## - IP Law Updates in Japan: Insights from Sonoda & Kobayashi -

## 1. Correction of Mistranslations After Grant of a Patent

September 24, 2019

Author: Natalie Cox

The Japanese Patent Law provides the possibility to correct mistranslation based on the original language

application even after the grant of a patent, but only under the condition that the correction does not

broaden or alter the claim scope. According to court decisions, in order for a correction to be accepted, it

is necessary that those skilled in the art notice that the recitation to be corrected is an error and also

clearly realize what the true meaning of the recitation should be. In view of this serious limitation posed

on the rectification of translation errors, the necessity of correct and exact translation cannot be

overemphasized.

**Background** 

The Japanese Patent Law was amended in 1994 to enable the filing of a patent application in a foreign

language. Amendments/corrections based on the original foreign language text also became possible by

these amendments of law, as long as other requirements, which depend on the timing of the amendment,

are met. Article 126 provides the requirements to be met by the corrections after registration of the

patent, as follows:

1) the purpose of the amendments must be one of:

a) narrowing of claim scope;

b) correction of an erroneous description or a mistranslation; and

c) clarification of unclear recitation.

2) no new matter should be introduced by the amendments in view of the original disclosure;

3) claim scope should not be substantively broadened or altered.

It is clear that corrections of mistranslations must not broaden or alter the claim scope.

Interpretation by Board of Appeals of JPO

The Standards for Examination by the Board of Appeals of the JPO provides the following:

Examples of corrections that substantially enlarge or alter the scope of claims are as follows:

A. Correction that partially deletes serial elements in the matters required to define the invention stated in

a claim;

B. Correction that adds elements in an alternative form in the matters required to define the invention

stated in a claim;

C. Alteration of a matter required to define the invention stated in a claim to a generic concept;

D. Replacement of a matter required to define the invention stated in a claim;

E. Correction that broadens or displaces a numerical limitation stated in a claim;

- F. Correction that changes the category of the invention, specifically, from an "invention of a process" or "invention of a process for producing a product" to an "invention of a product"; or
- G. Correction of a statement in the detailed explanation of the invention that affects the interpretation of a matter stated in a claim and thereby results in substantially falling under any of A to F mentioned above.

#### **Court Decisions**

Rulings by the Japanese courts on the correction of mistranslations are limited. In fact, these specific corrections have not been addressed by the Supreme Court at all, but we can find some examples at the IP High Court.

In IP High Court Decision, Heisei 27 (Gyo-ke) No. 10216. Avera GMBH v. The Japan Patent Office, the patent for a "method for decontaminating radioactively contaminated surfaces" was granted with a mistranslation of the term "phosphonic acid". The patent instead included the term "phosphoric acid". The patentee Avera GMBH filed a request for a trial for correction to correct the term phosphoric acid to phosphonic acid and referred to the original specification of the PCT application which claimed phosphonic acids. Despite this, the Court upheld the JPO's decision and determined that the correction would substantially alter the scope of the claim and violate Article 126 (6) of the Patent Act. In its reasoning the Court determined that the mistranslated term was clear and not unnatural and furthermore a person ordinarily skilled in the art would not necessarily be able to notice that the term was an incorrect translation.

In the other relevant IP High Court Decision, Heisei 24 (Gyo-ke) No. 10268., there were mistranslations and clerical errors in the filed claim amendments ("asparagine" was mistranslated as "aspartic acid"), but these claims were granted. After the patentee filed a Patent Term Extension (PTE) Application based on regulatory approval, the PTE application was rejected on the grounds that the approved drug (comprising "asparagine") was not included in the claim scope (comprising "aspartic acid"). The patentee then filed for a Trial for Correction of Mistranslation, but the Trial was rejected by the JPO Board of Appeal. The correction was denied because, although inconsistency is noticeable for those skilled in the art, the correct recitation could not be determined by those skilled in the art.

Japanese IP High Court decisions have made realistic interpretations of the criteria for corrections of mistranslations, that is, in order for the correction not to broaden or alter the claim scope, it is necessary for those skilled in the art to notice that the recitation to be corrected is an error and also to clearly realize what the true meaning of the recitation should be. Recent High Court decisions tend to be based on the understanding of those skilled in the art based on the specification and common knowledge of the art.

2020/2/14

**Our Advice** 

Although the Japanese Patent Law provides the possibility to correct mistranslations in the claims based

on the original language, the requirement not to broaden or alter the claim scope is applied in a stringent

manner. It would be prudent to make maximum efforts to ensure that the translation as filed in the JPO

correctly and exactly reflects the original text. To rely on the possibility of correction after the translation

is filed in the JPO is not recommended.

If our firm does not perform the translation, we recommend at least having us review the translation of the

claims.

2. 2019 Changes to Japanese Design Law

September 24, 2019

Author: Harumi Kokaji

The Act to change Japanese Design Law was passed by the Diet on May 10, 2019. The changes will be

enacted within a year, but the date of enactment has not yet been determined. The changes will include:

1. Broadened image protection;

2. Spatial design protection (buildings, interiors);

3. Broadened related design system;

4. Extension of duration of design right; and

5. One design application may have multiple designs.

1. Broadened image protection

Under the current system, it is possible to register designs for "operation images" and "display images" of

articles. An operation image is an image that can be operated by pressing or touching an icon on a screen

and a display image is an image necessary for performing a function of an article, such as a clock face. In

order to be protected today, the images must be fixed to goods (images pre-installed in equipment, etc.).

In this revision, the objects of image protection will be expanded, and images that are not provided in the

device in advance and that are temporarily displayed via the Internet will be able to be registered (images

not already fixed to goods). In addition, it will be possible to register designs for images projected on objects other than articles; for example, optical designs. In the past, design registration was only allowed for articles, but with this amendment, a pattern or color that appears by lighting will be accepted as a design. This amendment makes it possible to register designs for "light" such as from automobile headlamps and lighting equipment.

### 2. Spatial design protection (buildings, interiors)

The next impact on Design Law relates to spatial design protection. Japan currently denies all Design applications relating to spatial design, but this will no longer be the case after the amendments are enacted. External real estate, such as buildings, will be registrable. In this revision, when architects and designers build novel and creative buildings/stores, it will be possible to register for design protection in addition to protection by copyright.

Furthermore, it will be possible to register designs for interiors. Previously, real estate like buildings and interior designs, which were composed of multiple items such as furniture, walls, floors, lighting, etc., were not registrable because it was against the principle of "1 design, 1 application".

In the future, interior design made up of various components will be accepted for design registration.

### 3. Broadening related design system

Japan's related design system will also be broadened. A related design is one that can be registered after acknowledging that "there is a similarity relationship" between a design of the same applicant and a similar design.

Presently, applications for related designs can only be made within about one year after the filing of a design until the design is published. In addition, it is impossible to file another related design similar only to the related design, it must be related to the principal design, and therefore it is difficult to register a group (variation) of designs.

With this revision, applications for related designs will be able to be filed up to 10 years after the filing of the first design, and it is also possible to register designs that are similar only to related designs. It will be easier to register variation designs, and this will be effective for building brands.

### 4. Extension of duration of design right

In addition, the duration of the design right will be extended. The current protection period spans 20 years from the date of registration but this will become 25 years from the filing date. This will strengthen the protection of long-life products and contribute to improvement of brand power nurtured by product design.

## 5. One design application may have multiple designs

The concept of a design application has long been "1 design, 1 application (1 right per 1 article)". Once the new amendments have been enacted, an application may contain multiple designs. In addition, the classification table of articles will be abolished to allow the applicant to describe the title of the article in a flexible manner.

You can see the JPO's review in English here.

### **About**

SONODA & KOBAYASHI is a law firm offering dependable legal services for intellectual property. Our multinational team of about 90 experts in technology, law, languages and international communication has served companies worldwide and gained a reputation for thoroughness and reliability.

### Contact

Shinjuku Mitsui Building Suite 3401 2-1-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan 〒163-0434

Main Line: +81-3-5339-1093

International Affairs: +81-3-5989-0934

newsletter@patents.jp







Copyright © 2018 Sonoda & Kobayashi Intellectual Property Law. All rights reserved.

Want to change how you receive these emails? You can <u>update your preferences</u> or <u>unsubscribe from this list</u>.

This email was sent to << Email Address>>

why did I get this? unsubscribe from this list update subscription preferences

Sonoda & Kobayashi Intellectual Property Law · Shinjuku Mitsui Building, Suite 3401 · 2-1-1 Nishi-Shinjuku · Shinjuku-ku, Tokyo 161-0434 · Japan

