



SONODA & KOBAYASHI
INTELLECTUAL PROPERTY LAW



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- News about Sonoda & Kobayashi -

1. A new team member joins Sonoda & Kobayashi's International Affairs Department

At Sonoda & Kobayashi, we are regularly on the look-out for new, talented colleagues. We are then pleased to announce that as of March 2023, a new member has joined our International Affairs Department.

Originally from New-Zealand, [Debora Cheng](#) will work with us in our Tokyo office and support communications, negotiations and much more.

Aside from her native English Debora speaks fluent Japanese and Chinese, which will undoubtedly be a great asset to the team.

You will be able to meet Debora and other Sonoda & Kobayashi staff at various IP events throughout the world.

- JPO and CNIPA News -

1. JPO to Allow Suspension of Divisional Application while Parent Under Appeal

In February 2023, the JPO announced new examination procedures to be enacted as of April 1, 2023 whereby the examination of a divisional application will be suspended, upon request, while the parent application is pending examination at the Board of Appeals. The new examination procedures enable the maximization of the total term of pendency of a parent and a divisional application and also enable the formulation of the claims of the divisional application in view of the examination results of the parent application.

A. Eligible Patent Applications

Patent applications for which examination is requested on or after April 1, 2023 (and for which examination has yet to begin) are eligible for the present provision as long as the applications meet the conditions (1) to (3), as follows:

- (1) They must be divisional applications filed after a Decision of Rejection was issued by the Examiner against the parent application;
- (2) An Appeal must have been filed against the rejection issued against the parent application and the examination of the parent application must be pending a preliminary examination by the Examiner or an examination by the Board of Appeals; and
- (3) Waiting for the results of the preliminary examination or examination by the Board of Appeals is considered appropriate.

B. Required Procedural Steps

Both of the documents described below must be filed within five working days from the filing of the request for examination for the divisional application.

- (1) A petition describing the circumstances regarding the Request for Suspension of Examination according to Article 54, Paragraph 1 of the Japanese Patent Law; and
- (2) A statement of circumstances in a specific form regarding the request for suspension of Examination according to Article 54, Paragraph 1 of the Japanese Patent Law.

C. Procedure following the Request for Suspension of Examination

A judgment shall be made on the Request for the Suspension of Examination, and notice of the decision shall be provided. In the case where a decision is made to accept the request, the examination will be suspended until three months have passed since one of (1) to (3) described below.

- (1) A decision to grant a patent is issued on the parent application as a result of the Preliminary Examination;
- (2) The first Appeal decision is issued on the Appeal against Rejection by the Examiner; or
- (3) The Appeal against Rejection is dismissed or withdrawn.

When the suspension of the examination is cleared, the application will be put on the list of cases to be examined and the examination will start thereafter.

Specific information on this topic can be found [here](#). (Japanese)

2. JPO Announces Continuation of Flexible Measures for Deadline Relief Based on Circumstances Impacted by Covid-19

On Friday, February 10, 2023, the Ministry of Health, Labour and Welfare issued a new statement regarding relaxation of certain measures undertaken during the Covid-19 pandemic, such as mandatory use of masks in schools.

Nevertheless, it has been determined the JPO will continue to provide flexible measures for deadline relief based on circumstances impacted by Covid-19. For details on such flexible measures, please see [our previous newsletter](#).

Specific information on this topic can be found [here](#). (Japanese)

3. JPO announces suspension of Fast-Track Examination for Trademarks

The JPO previously announced that due to the shortening of the examination period, the fast-track examination for trademarks would be suspended in 2022. The resumption date has not yet been determined.

On March 13, 2023, the JPO announced that for applications filed on or before March 31, 2023 (Friday), those that meet the requirements for fast-track examination will still be subject to fast-track examination.

Previously, fast-track examination was allowed for examination within 6 months of the filing date (as opposed for 10 months for standard applications) for:

- (1) An application for trademark registration in which only the goods or services published in the “Examination Guidelines for Similar Goods and Services”, “Regulation for Enforcement of the Trademark Act”, or “International Classification of Goods and Services (Nice Classification)” are designated at the time of filing; and
- (2) An application for trademark registration with respect to which no amendment of the designated goods or designated services has been made until the commencement of the examination.

Specific information on this topic can be found [here](#) (Japanese) and [here](#) (re previous track system; English).

4. CNIPA announces measures for Online Oral Proceeding of Administrative Adjudication

On February 24th, 2023, CNIPA issued Measures for Online Oral Proceedings of Administrative Adjudication Cases. The measures aim to make it easier for the parties involved in patent infringement disputes to participate in the process of the administrative adjudication, improve the administrative efficiency, and standardize the online oral proceeding of the administrative adjudication cases.

As the background to this issue, in 2022, CNIPA concluded two administrative adjudication cases of major patent infringement disputes and 70 administrative adjudication cases of drug patent disputes related to drug patent linkage system.

Specifically, there are 18 articles in the measures, which mainly specify the effectiveness, scope of application, treatment of non-participation in the online oral proceeding, online evidence exchange, witnesses, regulations of public hearing, confidentiality and other aspects.

Moreover, the principles of online oral proceeding can be applied to the following cases:

- (1) Administrative adjudication cases of major patent infringement disputes;
- (2) Administrative adjudication cases of drug patent disputes related to patent linkage system;
- (3) Administrative adjudication cases of patent rights disputes of integrated circuit layout-design
- (4) Other administrative adjudication cases which are suitable for online oral proceedings.

Specific information on this topic can be found [here](#). (Chinese)

5. CNIPA will No Longer Accept the Submission of PCT International Applications Documents by Fax

CNIPA issued a notification on February 3rd, 2023 that it will no longer accept the submission of PCT international application documents by fax. From March 1st, 2023, the China National Intellectual Property Administration, as a receiving office, will no longer accept the PCT international application documents submitted by fax, nor any documents or letters related thereto submitted after the application. PCT international applicants can use the client-side of "Patent Business Processing System" of CNIPA and its web version (<https://cponline.cnipa.gov.cn>) to submit PCT international application documents and handle the relevant business to the China Bureau in electronic or paper form.

Specific information on this topic can be found [here](#).

- Latest IP News in Japan -

1. Japan's Cabinet to approve guideline for non-disclosure of certain patents under Economic Security Promotion Act

Yomiuri Shimbun, February 3rd, 2023

On the 3rd of February, the Yomiuri Shimbun reported that draft guidelines for Japan's "non-disclosure of patents" under the Economic Security Promotion Act passed in May last year have been revealed. These guidelines will prevent patents in certain advanced technological sectors, such as hypersonic flight, outer space, and cyberspace, from being revealed.

The guidelines are expected to be approved by Japan's Cabinet in April, and related provisions of the law will be enforced by May 2024.

Although patents are generally made public 1.5 years after application, the law stipulates that a newly established screening organization will have the discretion to not disclose designated protected patents.

Targets for such protection could be fields with a significant influence on national security. Additionally, the guideline targets "technologies that could inflict serious damage to people's lives and economic activities," giving "nuclear technology that can be converted into weapons of mass destruction" as an example.

For technology that can be used for both defense and civilian purposes, it is important to avoid hindering innovation of civilian technology. The patent protection designation would then be limited to cases where the technology was developed for defense purposes or commissioned by the government.

The Japanese government has created draft guidelines for maintaining critical infrastructure across 14 sectors, such as electricity and rail transport. The draft specifies that prior screening will be necessary for the development of infrastructures classified as "important," but this designation will only be applied in cases that are deemed "truly necessary."

To avoid undue influence from foreign entities, companies associated with infrastructure construction and supplies will need to register information, including their location, executive names and nationalities, and details about transactions with foreign governments.

More information can be found [here](#). (English)

2. Extended protection of intellectual property in the Metaverse in Japan

Nihon Keizai Shimbun, March 10th, 2023

The Nihon Keizai Shimbun reported that the government of Japan approved amendments to six intellectual property laws, including the Unfair Competition Prevention Act and the Trademark Act, on March 10th. These amendments will make it possible to request an injunction against the sale or transfer of counterfeit products in digital spaces such as the metaverse, with a focus on clothing and accessories worn by avatars.

The Unfair Competition Prevention Act prohibits the sale of imitation products that closely resemble genuine products for three years from the release of the original product. However, the current law does not cover digital spaces. There is a growing need for coverage in this area, as major apparel brands such as Nike and Gucci are increasingly entering the metaverse.

Furthermore, amendments to the Trademark Act will broaden the scope of registrable trademarks. Previously, unless the trademark had a certain level of recognition, trademarks containing personal names could not be registered without the consent of every person with the same name.

In the fashion industry in particular, it is common to use the founder or designer's name as the brand name. Although personal names can be registered under certain conditions in Europe, China, and Korea, many of these applications have been denied in Japan, which has hindered brand development for companies.

The amendments will also allow for the registration of trademarks that are similar to those already registered, as long as there is no risk of consumer confusion, and as long as the consent of the original trademark holder is obtained. This "consent system" is already in use in many countries and has been in high demand among applicants from overseas.

More information can be found [here](#). (Japanese)

- Latest IP News in China -

1. Patent lawsuit between Zhuhai CosMX and Japan MAXELL has been settled

China's Capital Markets Information Disclosure Platform, March 4th, 2023

On March 4th, 2023, Chinese battery manufacturer Zhuhai CosMX Battery disclosed a progress announcement regarding its involvement in litigation. Concretely, the lawsuit was filed by Maxell from Japan in the Western District Court of Texas in the USA on August 13th, 2021 for patent infringement by Zhuhai CosMX. The lawsuit pointed out that Zhuhai CosMX's products were suspected of infringing four US patents owned by MAXELL and requested the court to order Zhuhai CosMX to stop the infringement and compensate for losses, but the specific amount claimed was not specified.

The latest progress in this lawsuit is that Zhuhai CosMX and MAXELL recently signed a settlement agreement. At the same time, both parties have submitted a withdrawal application to the Western District Court of Texas in the USA. MAXELL voluntarily withdrew all charges against Zhuhai CosMX in this lawsuit, and Zhuhai CosMX has also withdrawn

the invalid application for the patent related to this lawsuit. Each party shall bear corresponding litigation costs and attorney fees.

Zhuhai CosMX stated that the progress of this lawsuit will not have a negative impact on its daily management, nor will have a significant impact on its current and future profits and losses.

More information can be found [here](#). (Chinese)

2. Huawei sued Xiaomi for infringement involving four patent disputes

Changjiang Times, March 2nd, 2023

Huawei Technologies and Xiaomi Corporation, two well-known China technology giants, have recently been involved in a patent dispute as reported on March 2nd by Changjiang Times via their WeChat Channel. According to the “Announcement on Acceptance of Administrative Adjudication of Major Patent Infringement Disputes” recently published by China Intellectual Property News, Huawei has formally submitted an administrative adjudication of patent infringement disputes against Xiaomi, and the case was accepted by CNIPA on January 17, 2023.

At present, China adopts an administrative and judicial dual track resolution mechanism for patent infringement disputes, and the administrative adjudication has become the first choice for many patent owners as a solution to patent infringement issues because of its fastness and effectiveness.

According to Xiaomi, now both parties are actively negotiating on patent licensing. Both parties believe that intellectual property licensing and cooperation are conducive to promoting innovation and the public interest, and that settlement is an effective channel to help achieve licensing.

It should be noted that Huawei had previously reached global patent cross-licensing agreements with Samsung and OPPO.

With regard to the administrative adjudication of major patent infringement disputes, a time limit of three months for handling cases exists, though upon approval this limit could be extended by one month. Therefore, this patent infringement case between Huawei and Xiaomi may be closed within three months.

More information can be found [here](#). (Chinese)

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

Timeline and deadlines of a patent applications filed in Japan

This article aims to explain the timeline and deadlines of a PCT application or Paris Route application when being filed in Japan.

Filing Deadline and Translation Submission

The deadline for entering a PCT application into the national phase in Japan is 30 months from the earliest priority date.

Paris route applications may be filed either in Japanese or any other language within one year from the priority date. When a Paris route application is filed in English (or any language other than Japanese), a Japanese translation must be filed within 16 months from the priority date and mistakes in the translation may be rectified by Amendments (during the patent prosecution procedure) or Corrections (after grant of a patent).

Publication

Publication of non-examined Japanese patent applications in the official gazette and on the JPO website takes place 18 months after their filing or priority date, whichever is earlier. Any third party may submit prior art documents to the JPO in relation to the patent application.

Examination

Examination must be requested within 3 years from the filing date in Japan (International Filing Date for a PCT application).

According to the JPO Status report 2022, FA Pendency (first action pendency) on average was 10.2 months. First action pendency is the period from the date of examination request until the JPO sends the first notice of examination results to the applicant (in most cases this will be either a Notice of a Patent Grant or an Office Action).

Once an Office Action is issued, an international applicant is given 3 months to respond to the Office action (only 2 months for domestic applicants). The deadline to respond can be extended by up to three months.

According to the JPO Status report 2022, the pendency on average was 15 months in 2020. This is an increase from 9.3 months in 2018 and might be connected to the pandemic.

In our experience, total pendency for patent applications filed by non-Japanese companies is generally slightly longer compared to the average time indicated by the JPO. This could be due to the (on average) smaller amount of patent applications being granted without an Office Action, or may be due to the longer deadlines for responding to Office Actions for international applicants.

Appeal Proceedings

The deadline to file an appeal against the examiner's decision of rejection is 4 months for overseas applicants and three months for Japanese domestic applicants.

Pendency from filing the appeal until a final decision is made by the appeal board was 12 months on average in 2021.

Expediting Examination

Several measures are available to accelerate examination (e.g., PCT PPH, PPH) when 1) a decision to grant a patent is issued by one of the participating offices, (2) an Accelerated

Examination when the relevance of the claimed invention as they relate to the search results is explained, and (3) a Super Accelerated Examination when the claimed invention will soon be utilized, etc.

According to JPO statistics, the average FA pendency for applications under Accelerated Examination is 2.3 months on, average and less than 1 month under Super Accelerated Examination.

Delaying Examination

Unlike CNIPA, the JPO does not provide a way to delay the examination of a patent application, other than waiting until deadlines are approaching and extending deadlines to respond to an Office Action up to a maximum of three months.

As of April 2023, it will however be possible to delay the examination of a divisional application if the parent application is still pending in the Appeal stage.

About

SONODA & KOBAYASHI is a law firm offering dependable legal services for intellectual property. Our multinational team of about 100 experts in technology, law, languages and international communication has served companies worldwide and gained a reputation for thoroughness and reliability.

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