

Newsletter / IP Japan

Amendment of the Patent Acts related to the extension of the term of a patent right

In association with the conclusion of the Trans-Pacific Partnership Agreement, amendment to Article 67, etc. of the Patent Act related to the extension of the term of a patent right was effected.

In Japan, the term of a patent right expires 20 years from the filing of the application (Article 67(1)). An extension of the term used to be available with respect only to a patent right directed to a pharmaceutical product or the like when testing for approval was required and there is a period during which it was not possible for a patentee to work the patent invention. Since the patent right comes into effect by registration, if the examination takes a long time, the term of the patent right may be shortened regardless of the technical field of the invention. In order to compensate the period due to the delay in examination, etc., extension of the term of a patent right to compensate for the curtailment of the term was effected.

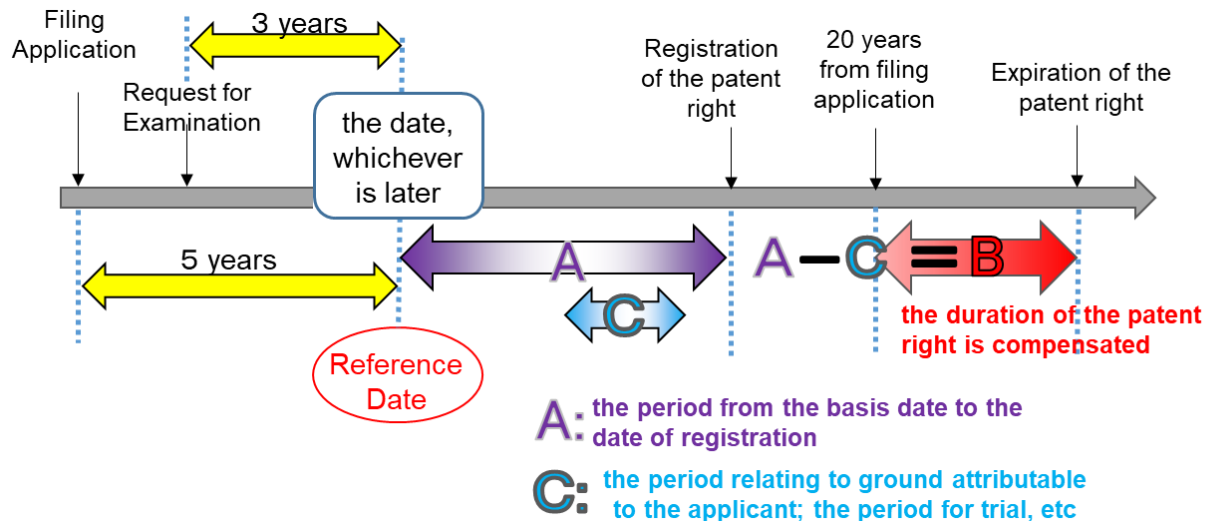
A patentee may extend the term of a patent right by filing an application to register a patent term extension, when the patent right is registered after the "reference date", which is the date whichever is later, the date five years from the date of filing of the patent application or the date three years from the date of the request for examination of the patent application.

The patent rights subject to the revised extension are the patent rights relating to the following patent applications. This system is applied to all patent rights derived from the patent applications that meet the following time requirements, regardless of the technical field of the invention.

- (1) A patent application filed on or after **March 10, 2020**
- (2) As for a divisional application, converted application, and patent application based on utility model registration; an application with the corresponding original application filed on or after March 10, 2020
- (3) As for an application claiming priority under the Paris Convention or internal priority; an application filed claiming priority on or after March 10, 2020

The curtailed term of a patent right which may be compensated [B] is calculated by deducting, from the period

[A] corresponding to the period from the reference date to the date of registration of the patent right, the period [C] including the period attributable to the applicant, the period related to the appeal and judicial decision, and the like (Article 67(3); see the figure below).



The following periods are defined to be deducted as the period included in period (c) (Article 67(3)(1) to (10)). In general, the criteria for the period to be deducted are whether or not the period is "related to an event during the processing and examination of the patent application", "not a period caused by a normally occurring procedure" or "related to an event corresponding to a reason attributable to the applicant". In particular, attention should be paid to Nos. 2 and 7 due to high possibility of problem(s) caused by the matters mentioned in these items.

1. Period for the response to a notice from the Patent Office

As examples of situations which may occur in a patent application under normal circumstances, the following situations are considered.

- Notice of no timely submission of a translation of a foreign language application and response to the notice
- Submission of a written supplement (notice of lack of a portion of the specification or the like and response to the notice)
- Notice issued for an application with a priority claim under the Paris Convention with submission of a certificate of priority submitted on or after the date after one year and four months from the priority date and submission of the certificate

A notice informing that any of these procedures should be taken is issued by the Patent Office. However, the period related to any of these procedures is excluded from the period of potential extension, since each of these procedures is not

a reason attributable to the Patent Office. In order to surely and timely submit necessary documents, it is important for the applicant(s) to completely prepare the documents and for the attorney(s) to make a point of fully checking the contents of the documents. The period for the response to a notice of reasons for refusal in the examination is a "period for the response to a notice from the Patent Office". However, this period is excluded from the period to be deducted in accordance with the article since this period occurs in most patent applications.

2. Extension of period

Extension of period for the payment of an issue fee and extension of period for the response to a notice of reasons for refusal are considered. It should be noted that in accordance with the provision in parenthesis in Article 67(3) (i) (above item 1), the period notified in the notice of Reasons for Rejection is not excluded from the period of potential extension, although if the response period is extended, the period from the date of expiration of the original response period to the date of the actual response is excluded from the period of potential extension. It is advisable to (ask the Applicant and/or instruct the local attorney to) respond to a notice of Reasons for Rejection without extension of term or, even though an extension is obtained, respond to the notice as soon as possible.

3. Period taken for a procedure after the lapse of the period within which the procedure should have originally been taken

This issue applies to many provisions introduced for the purpose of relief for the applicant, such as the provisions for the case in which there are legitimate reasons for having not been able to submit a translation of a foreign-language document (Article 36-2, Paragraph 6), the provisions for the case in which it is unable to file a divisional application due to reasons beyond the applicant's control (Article 44(7)), and the like. It seems that this issue is occurred to not so many cases, because the "legitimate reasons" "reasons beyond the applicant's control" are necessary. However, the provisions of this issue is disadvantageous to the applicant since deduction from the period of potential extension disadvantageously occurs because of reasons not attributable to the applicant. When it becomes necessary to make the legitimate reasons regarded as acceptable, the decision of allowance fixed before the reference date should be kept in mind.

4. Period due to withholding of action or notice

"A case in which an action or notice is withheld not in accordance with the provisions of the statute but as a service of the Patent Office" is considered. It seems that this case

corresponds to such a situation that, for example, two related applications are simultaneously examined and a written statement may be filed to request withholding of a decision for one of the applications. The "period of withholding" cannot be controlled by the applicant, and it is advisable to make every effort to avoid occurrence of situations corresponding to this issue.

5. Period for application of reduction / payment deferral of the issue fee and/or other fee

The period caused by application of reduction of the issue fee and/or application of reduction of the fee for examination request is considered. When an application is filed for registration of a patent term extension, abandonment of application of the issue fee reduction may be considered in view of the balance between the reduced issue fee and the loss of benefit caused by the deduction of the period to be compensated.

6. Period caused by withdrawal of a written supplement of the specification, etc. (Article 38-4(7))

A written supplement of the specification, etc. may be withdrawn in view of the filing date unfavorably put down by the submission of the written supplement (paragraph 4 of the same article). The period related to this withdrawal is defined to be a period excluded from the period of potential extension since the withdrawal is "not a normally occurring procedure".

7. Period for appeal against decision of refusal

This period is mentioned herein because the TPP agreement defines that extension of the term of a patent right is available by the term corresponding to the "unreasonable portion of the period taken for the processing and examination of an application". Because of this item, the period for an "appeal", more specifically the period from the date of service of a copy of the Decision of Rejection to the date of service of a copy of the Appeal Decision of Allowance, is excluded from the period to be compensated. The period for the reconsideration by the Examiner before the appeal is also excluded.

The average period for the examination in an appeal against decision of refusal is 12 months (statistics for 2018) and, considering the total period for an appeal, it is highly possible that an appeal remains pending even after the reference date. Further, it is also highly possible that the period of time to be excluded from the period to be compensated caused by this item is so long that permitted extension become **zero**. Reduction of the period for an appeal using, for example, the system of accelerated appeal examination should be considered.

It is possible to receive a notice of reasons for refusal during the appeal against a decision of refusal. The period related to a notice of reasons for refusal issued during the examination is not excluded from the period to be compensated. However, the period related to a notice of reasons for refusal issued during the appeal against a decision of refusal is treated in accordance with this issue (i.e., excluded from the period to be compensated) because of some reasons, such as the facts that a notice of reasons for refusal issued during the appeal against a decision of refusal is an event during the period not guaranteed by the TPP, that Article 159(2) is not explicitly described in parenthesis in (1), and the like.

8 and 9. Period caused by a procedure under the Administrative Appeal Act / period caused by a procedure under the Administrative Case Litigation Act

The situation in which these periods are considered is related to a law other than the Patent Act. The reasons for the definition of these periods are the same as those for the above item 7.

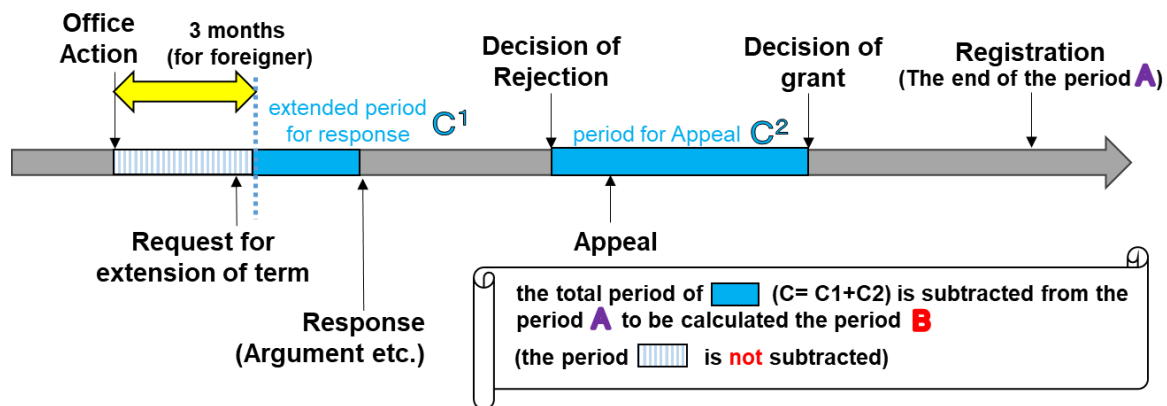
10. Period caused by interruption or suspension of a procedure

This period is defined since the interruption or suspension is "not a normally occurring procedure". For example, considered is an interruption for a case in which resumption of a procedure for application of the Bankruptcy Act becomes necessary.

(Note 1) A period occurred prior to the reference date is also treated as a period to be excluded from the period to be compensated.

(Note 2) If more than one of these periods have an overlapped portion, calculation is carried out with the overlapped portions treated as one consolidated portion of period.

As an example, considered is a case of a patent application matured into a registered patent wherein a response to a notice of reasons for rejection was filed after the extension of the response period and, after the receipt of a decision of rejection, an appeal against the decision was requested. In this case, if the registration was made after the reference date, the period of potential extension [B] is calculated by deducting, from the period [A] from the reference date to the date of registration, the period from the date immediately after the expiration of the originally designated period for the response to the notice of reasons for rejection to the date of actual response and the period from the issuance of the Decision of Rejection to the appeal decision of allowance.



In the above example, if the reference date is March 8, 2026, the date of registration is March 7, 2029, the date of response to the Office Action is two months after the date of expiration of the original response period, and the period for the appeal against the decision of refusal is 1 year, 11 months and 10 days, the calculation is carried out as follows;

- (1) calculate the total period to be deducted (= 1 year, 13 months and 10 days),
- (2) calculate the date after the period of item (1) above from the reference date (April 18, 2028), and
- (3) calculate the period from the date of item (2) above to the date of registration*, which period is regarded as the period of potential extension (10 months and 18 days[†]).

*The day specified in item (2) above is counted also as a part of the period of potential extension.

[†]The period of potential extension obtained in this example is more than 10 months. However, this example is a hypothetical case with the period of about 5 years taken for examination set for the purpose of calculation. As of 2020, an examination is increasingly rapidly carried out by the patent office and, in many cases, service of a decision for an application is estimated to be achieved within a period of from 1 year and a half to 2 years of the request for examination.

[Other Notes]

- The application to register an extension of the term of a patent right to compensate for the curtailment of the term must be filed by the patent holder within the period of three months from the date of registration of the patent.
- The fee to be paid to the Patent Office for one application to register an extension of the term of a patent right is 43,600 yen.
- The application to register an extension of the term of a patent right is rejected in some case, such as the case wherein the period requested to be compensated exceeds the period B above.
- The period requested to be compensated may not be

consistent with the period of potential extension. It is the position of the Patent Office that even if the period requested to be compensated is shorter than the period of potential extension, the Patent Office will not point out this fact. However, a voluntary amendment can be filed if the application is pending at the Patent Office.

- The extended period (B) may be invalidated by a trial for invalidation of the extended registration if there is a reason for invalidation (Article 125-2).

- Unlike the application to register an extension with respect to a pharmaceutical product, the scope of claims where the extended registration is effective is not limited.

- This application to register an extension of the term of a patent right can be used together with an application to register an extension with respect to a pharmaceutical product. Since the application by this system is almost inevitably filed first, it may be reasonable to understand that "after the expiration of the term of a patent right extended to compensate for the curtailment of the term, another additional term of the patent right extended by the system of registration of an extension with respect to a pharmaceutical product may be generated".

- Details of the provisions, such as the procedures for the application, are the same as those for the application for registration of extension of term of a patent right with respect to a pharmaceutical product or the like.

For more information, such as the Examination Guidelines and the method for calculating the period of potential extension, please also refer to the following documents (access the PDF file prepared by the Patent Office):

https://www.jpo.go.jp/e/system/laws/rule/guideline/patent/tuku_jitu_kijun/document/index/09_0100_e.pdf

https://www.jpo.go.jp/e/system/laws/rule/guideline/patent/handbook_shinsa/document/index/09_e.pdf

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