

# JAPAN INTELLECTUAL PROPERTY NEWS

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## COURT DECISION

### Former researcher wins dues for Hitachi patent; the award is record-breaking

In a major victory for researchers, a former Hitachi employee was awarded about 35 million yen on Nov. 29 for his work on optical disc-reading technology patented by the company for CD and DVD players.

Seiji Yonezawa, 63, has filed a lawsuit seeking about 970 million yen in royalties. The technology was used by about 10 manufacturers, including Sony Corp. and Pioneer Corp.

Yonezawa claimed the component he helped invent could be found in all CD and laser-disc players by 1991. He pegged global production of such players at 15 trillion yen and argued that Hitachi could have claimed 3 percent in royalties from manufacturers.

But the Tokyo District Court rejected his math and estimated that Hitachi received 250 million yen from manufacturers for the patent. The court also ruled that other researchers, as well as the computer at the firm's research institute, had played a role in the invention.

It calculated that Yonezawa's claim to the patent was 14 percent.

The suit followed a spate of claims filed by researchers against their former companies.

On Sept. 19, the Tokyo District Court dismissed a researcher's claim to patents on groundbreaking laser technology he developed while working for Nichia Corp. But the court said the researcher should receive appropriate compensation



Omori & Yaguchi, Tokyo (Minami-Aoyama)

for his development of the blue light-emitting diode.

On Sept. 14, a former researcher at Ajinomoto Co., Japan's largest seasonings producer, demanded 2 billion yen for his toil on an artificial sweetener.

According to Yonezawa's lawsuit, he invented the core technology for the optical head device in 1977. Hitachi won the patent in 1990. The company was granted patents for the technology in five other countries, including the United States and Britain.

Under the article 35 of the Japanese patent law, "the employer must pay the employee a reasonable compensation separately from his or her salary, in order for an employer to apply for a patent for an invention created by his or her employee within the scope of the employer's business." Due to the vagueness of the provision, the Japan Patent Office has been considering the revision to protect enthusiastic inventors.





## **IP LINKS**

### **Japan Patent Office**

<http://www.jpo.go.jp/indexj.htm>

### **Industrial Property Digital Library**

[http://www.ipdl.jpo.go.jp/homepg\\_e.ipdl](http://www.ipdl.jpo.go.jp/homepg_e.ipdl)

### **Japan Patent Attorney Association (JPAA)**

<http://www.jpaa.or.jp/english/index.html>

### **International Association for the Protection of Intellectual Property (AIPPI)**

<http://www.aippi.org>

### **Supreme Court of Japan**

<http://www.courts.go.jp/english/ehome.htm>

### **Institute of Intellectual Property (IIP)**

<http://www.iip.or.jp/e/index.htm>

# JAPAN PATENT LAW CHANGES

## **1. Information Disclosure Statement**

Effective on Jan. 1, 2003, all applicants submitted to the Japan Patent Office, including PCT applications entering into Japanese national phase, are required to disclose any information on prior art per claim.

## **2. Extension of the deadline for a Japanese translation submission**

A Japanese translation of a national application can be filed within two months from the date of entering the Japanese national phase, as long as the time limit for entering the Japanese national phase did not expire before Sept. 1, 2002.

## **3. The modification of the deadline extension for entering the Japanese national phase**

For every PCT international application, if the period of 20 months from the priority date did not expire before Sept. 1, 2002, the time limit is now automatically extended to 30 months without a filing of a Chapter II demand. While the modification regarding the time limits under PCT Article 22 (1) took effect on Apr. 1, 2002, Japan had not accepted the extension of the deadline for entering a national phase from 20 months to 30 months and still required a filing of a Chapter II demand. This change became effective on Sept. 1, 2002.

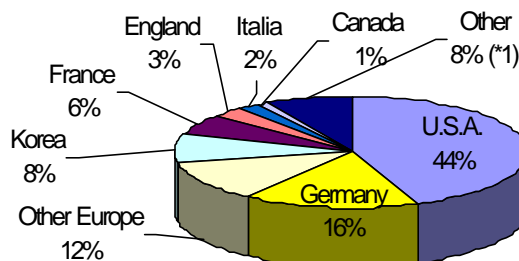
## FOCUS/TREND

### **Change in the Percentage of Patents Granted in Japan by Nationality of the Applicant**

A look at the change in the percentage of patents granted in Japan to applicants from various nations tells us that applicants from Japan have constantly accounted for as high a share as over 80 %.

Excluding Japan, the US share of the patents granted to various nations has been the highest for the last ten years. However, the US share has been decreasing since 1997.

[Fig. 1] Percentage of Patents Granted in Japan to Various Nations (Year 2000)



(Data) The WIPO statistics was used.

\*1 "Other nations": Total of the nations included in "Country of residence of applicant" in "PATENTS (Grants) Table II (B)" of the WIPO statistics excluding the eleven nations included in the table above and "other European nations (18 nations)", and "others" (Nations that report to WIPO but are not included in the column of "Country of residence of applicant" in "PATENTS (Grants).")

[Fig. 2] Change in the Percentage of Patents Granted in Japan by Nationality of the Applicant

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Japan	84.4	85.8	87.5	88.3	86.9	87.3	88.0	88.9	89.3	89.2
U.S.A.	7.2	6.6	6.0	6.0	6.8	6.6	5.9	5.0	4.7	4.8
Germany	3.3	3.0	2.5	2.2	2.4	2.2	2.0	1.9	1.8	1.7
Other Europe (*2)	2.0	2.3	2.1	1.8	1.5	1.5	1.6	1.5	1.4	1.3
Korea	0.0	0.0	0.1	0.1	0.2	0.4	0.6	0.9	1.1	0.9
France	1.1	1.0	0.8	0.8	0.9	0.8	0.8	0.8	0.7	0.6
England	0.7	0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.4	0.4
Italia	0.4	0.3	0.3	0.3	0.2	0.3	0.3	0.2	0.2	0.2
Canada	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Australia	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1
China	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Russia	0.2	-	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0
Others	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

\*2 "Other European nations": Total of Austria, Belgium, Bulgaria, Switzerland, Czech, Denmark, Spain, Finland, Greece, Hungary, Ireland, Liechtenstein, Luxembourg, the Netherlands, Norway, Poland, Portugal, and Sweden (18 nations) (Where, the data for "Czech" represent Czech Slovakia through 1992, and Czech in 1993 and thereafter).

**Japan Intellectual Property Association (JIPA)**  
<http://www.jipa.or.jp/english/index.html>

**Japan Patent Information Organization (JPIO)**  
<http://www.jprio.or.jp/welcome2.html>

**License Exchange Society Japan (LES)**  
<http://www.lesj.org>

**Asia-Pacific Industrial Property Center (APIC)**  
<http://www.apic.jiii.or.jp>



**Our Services in the U.S.A. and Japan**

- Preparation of Japanese specifications to be filed with Japan Patent Office, based upon translation and review of English specifications.
- Translation of specifications, laid-open publications and other technical documents from Japanese into English.
- Research on Japanese patents, designs and trademarks.



# COLUMN

## General Information on Obtaining Patents in Japan

### Part 4: Examination

#### A. Publication of Application

Applications filed in Japan are published 18 months after the priority date regardless of the examination. Inventions described in the published application become a prior art as of this disclosure. PCT applications are internationally published 18 months after the priority date and their Japanese translations are also published in Japan as soon as possible.

#### B. Request for Examination

In Japan, a patent application will not be examined unless a request for examination is filed within 7 years of the filing date.

One of the most frequently asked questions from non-Japanese clients is about when to file this request for ex-

amination.

Japanese companies decide whether or not the request for examination should be filed mainly from the product commercialization viewpoint 1, 3, 5 or 6 years after the filing date. In general, the request for examination is filed after the application instead of at the time of the application except when the company is in a hurry to commercialize the product. Since the publication itself has the effect of indirectly holding the competitor's movements in check, in many cases, the request for examination is not filed in order to save the prosecution cost unless the invention is realized.

In the case of applications based on ones filed in the United States, it is not too late even after the U.S. application is granted to file a request for examination. By the way, in Japan, the application fee is about \$200, which is inexpensive, but the examination certificate

## OUR OFFICE

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#### Quick and Easy!

Instant estimate for filing patent and trademark applications in Japan

- For entering the Japanese national phase for PCT patent applications.
- For filing a Japanese translation within two months from the date of entry.
- For filing a Japanese trademark application with a corresponding foreign application.
- Formal online estimate is also available.

fee is more than \$1,000, and this increases proportionally to the number of claims.

The examination is conducted in the order of the request filing and the examination usually takes 1 to 2 years. However, when time is pressing, a request for accelerated examination can be requested and the requirements for this are almost the same as those in the U.S.

### *C. Requirements for Patentability*

The requirements for patentability in Japan are almost the same as those in America. Incidentally, people think the examination is stricter for business method patents and gene-related patents, which have been foci or debate lately. However, Japanese patent attorneys consider this factor when they prepare translation, and amendments could be also filed after receiving a notice of reasons for rejection to better suit Japanese standards.

For example, the most important reasons for rejection are patentable subject matter, novelty, and inventive step, which are almost the same as the re-

quirements in America.

However, an applicant should be careful about the grace period in Japan because it is different from that in the United States. If the invention is announced at a conference or in a publication in the U.S. before its U.S. patent application, its Japanese patent right cannot be obtained unless an application is filed in Japan within 6 months from the announcement regardless of the U.S. application. Also if this announcement is simply made in an embodiment, but not at a conference or in a publication, the right cannot be obtained. It is so even if the U.S. application-based priority is claimed.

On the other hand, Japan is adopting First-to-file rule, and this is not very different from the rule in America because examinations are normally done based on the application date in this country as well.

To be continued....

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