TOKYO - JAPAN
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OUTLINE OF SUITS AGAINST APPEAL/TRIAL DECISION MADE BY THE JPO

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1. Introduction

"Litigation for rescission of a trial decision" is litigation to seek for rescission of a trial decision rendered by the Japan Patent Office (the "JPO"). The subject of litigation is to determine whether or not the trial decision by JPO is illegal in substance or in procedure. It is not permitted for the court to grant a patent or refuse a patent application, to validate or invalidate a patent, etc. in a court decision of such litigation. When a court decision rescinding the trial decision has become final and binding, the case shall be sent back to the JPO procedure, and the JPO (the same examiners of the previous decision) shall carry out further trial proceedings and render a trial decision[1] in accordance with the binding effect of the court decision.[2]

2. Filing of Suits against Appeal/Trial Decision made by the JPO

(1) Jurisdiction

The Tokyo High Court has the exclusive jurisdiction over any action against a trial decision rendered by the JPO[3] as the court of first instance. Then the Intellectual Property High Court (the "IP High Court"), as a special branch of the Tokyo High Court, hears litigation for rescission of a trial decision.[4]

(2) Time Limit.

A person who wants to revoke a trial decision by the JPO, such person has to file a complaint within 30 days from the receipt of a certified copy of the trial decision. An additional period, generally additional 90 days, may be designated to a person residing in a foreign country[5]. This time limit shall be non-extentable.

(3) Stamp Fee

Stamp fee for litigation for rescission of a trial decision is fixed. As of 2024, it is 13,000 JPY.

(4) Parties

In the case of *ex parte* cases, such as litigation for rescission of a trial decision maintaining an examiner's decision of refusal or a decision of revocation against the opposition, the plaintiff shall be such an applicant whose application for invention has been refused or the patentee of such revoked patent, and the defendant shall be the Commissioner of JPO. (Please note that no appeal shall be filed against a decision of maintenance by an opponent.) If the application was jointly made, such litigation is considered to be a compulsory joinder which all the applicants are required to be plaintiffs[6].

In the case of *inter-parte* cases, such as litigation for rescission of a trial decision of a patent invalidation trial, the plaintiff in litigation for rescission of a trial decision is

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[1] Patent Act, Art. 181, Para. 5.
[2] Administrative Case Litigation Act, Art. 33, Para. 1.
[3] Patent Act, Art. 178, Para. 1.
[4] Establishment of the Intellectual Property High Court, Art. 2.
[5] Patent Act, Art. 178, Para. 3.
[6] Supreme Court, Aug. 31, 1960, Minshu Vol. 15, No. 7, p. 2040.

limited to a concerned party in the trial, and the defendant shall be another concerned party, the demandant or the demandee in the invalidation trial[7]. Even if there are many demandants or demandees, such litigation is not considered to be a compulsory joinder[8].

3. Proceedings in Suits against Appeal/Trial Decision made by the JPO

(1) General Flow of Proceedings

Once a formality of a complaint is examined and confirmed by the court, a complaint is delivered to the defendant.

A defendant is requested to file its answer soon after such delivery of the complaint. (Usually, the answer at this stage is just a formal one.)

On the other hand, a plaintiff is requested to file all the basic exhibits (which are all the briefs and exhibits of the trial before JPO) by the designated date which is before the first hearing date. Further, a plaintiff has to file its preparatory brief together with the exhibits by 10 days prior to the first hearing date, at the latest. A plaintiff has to show its approvals or disapprovals against the trial decision and also claim the grounds for rescission in its brief.

As of June, 2022, if both parties request to the court, parties are allowed to submit the briefs and evidence online through the court system called “mints”.

Then a court refers a case to preparatory proceedings before the designated date for the first hearing date and arranges issues and evidence in principle. Thus, the first hearing will be held not in the open court but in a closed room in each department of the IP High Court. A presiding judge designates an associate judge as an authorized judge who shall reside over the preparatory proceedings. One court investigator is appointed to support the judge from technical aspects.

As of March 2024, preparatory proceedings and even oral hearings (so-called web hearings) may be held online through Microsoft TEAMS when the court decided appropriate for the case after asking both parties opinion.

By the second hearing date, a defendant will submit its preparatory brief in response to the plaintiff's brief, and a plaintiff will answer to it in its second preparatory brief. In principle, all the arguments and exhibits from both parties are expected to be submitted by the second hearing date and the court will conclude the preparatory proceedings. But such exchange of the preparatory briefs may sometimes be allowed until the issues of the case become clear to the court, depending on how complicated the case is.

In many cases, when the case is approaching the final phase, the court requests both parties to make a technical explanation regarding the technical matters of the case before the judge(s) in charge and also three technical advisors[9] appointed by the court.

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[7] Patent Act, Art. 179.

[8] Supreme Court, Jan. 27, 2000, Minshu Vol. 54, No. 1, p. 2040; Supreme Court, Feb. 22, 2002, Minshu Vol. 56, No. 2, p. 348.

[9] Technical advisors are the people with expert knowledge who are professors or patent attorneys etc. appointed by the court for each case, and may participate in the proceedings by the court request so as to provide an explanation based on their expert knowledge. (Civil

Technical explanation is usually held at the final preparatory hearing or the first oral hearing.

On a date for oral arguments, the hearing is held in the open court with three judges. The parties are supposed to state the outcome of the preparatory proceedings, and the court will designate the date for the issuance of the court decision.

(2) Duration of the Court Proceedings

According to the recent statistics disclosed on the website of IP High Court[10], average time intervals from commencement to disposition was 9.3 months in 2018 and 8.6 months in 2019.

(3) Grounds for Rescission

In a complaint, a plaintiff needs to argue that there is any mistake, in finding the facts or in judging the facts, which causes the trial decision to be illegal. Any mistake which does not affect the conclusion of a trial decision cannot be grounds for rescission.

Grounds for rescission are, for example, as follows;
(a) a mistake in the procedure,
(b) a mistake in the determination of the facts,
(c) a mistake in the judgment on the novelty or the inventive step, or
(d) a mistake in the application of laws.

In most litigation for rescission of the trial decision, a plaintiff asserts mistakes in the determination of the facts, (that is, the determination of identical features and differences between the gist of an invention and the first cited invention,) or mistakes in the judgment on the inventive step, (that is, the judgment on the differences as specific grounds for rescission of the trial decision.)

(4) Scope of Examination

With respect to the scope of examination in litigation for rescission of a trial decision, the Supreme Court held that, in litigation for rescission of a trial decision, it is not permitted to assert a new ground for invalidation of a patent based on a prior art which was not examined in the trial[11].

Accordingly, if a trial decision found an inventive step of a patented invention based on a comparison with an invention A, a plaintiff is allowed to assert a mistake of the said decision based on a comparison with an invention A, but is not allowed to assert a new ground for invalidation of the patent based on an invention B which was not examined in the trial in the litigation for rescission of such a trial decision.

However, with regard to the publicly known information examined in the trial, if the inventions A and B are closely related to each other and are described in the same publication, or if the invention B was examined in the trial as the supplementary

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Procedure Act, Article 92-2~)
[10] http://www.ip.courts.go.jp/eng/documents/statistics/index.html
[11] Supreme Court, Mar. 10, 1976, Minshu Vol. 30, No. 2, p. 79.

reference, in litigation for rescission of a trial decision, the parties may assert a ground for invalidation of the patent based on the invention B[12].

Further, even if they were not examined in the trial, it is permitted to submit the publications etc. in order to prove the existence of technological common knowledge of those skilled in the art[13].

4. Restriction of Request for Correction Trial during Suits against Appeal/Trial Decision made by the JPO

In order to avoid the situation where the case would be thrown back and forth between the court and JPO, Patent Act restricts a request for correction trial during suits against appeal/trial decision made by the JPO. (Alternatively, if the trial examiners would think the patent should be invalidated, a prior decision notice will be made and the patentee would have another chance to correct the claims during the invalidation trial.)

5. Court Decision

A court decision rendered in litigation for rescission of a trial decision has the following effects in addition to res judicata.

When a court upholds a plaintiff's claim, it gives a formative judgment revoking a trial decision[14] which has formative effect[15].

When a court decision rescinding a trial decision has become final and binding, the case is remanded to the JPO, and the trial examination is resumed. The JPO makes further examination to give another trial decision. In that case, JPO is not allowed to give the same disposition based on the same reasons[16]. The binding effect[17] occurs, unlike res judicata, in the reasons in the court decision excluding obiter dictum.

It is not against the binding effect of the court decision to (*i*) render a decision for a invalidation trial based on the different reasons for invalidation from those adopted in a court decision in litigation for rescission of a trial decision, or (*ii*) find an invention at issue to be easily conceivable based on the different cited reference from that adopted in a court decision in litigation for rescission of a trial decision[18].

And when a trial decision in a trial for patent invalidation or a trial for invalidation of the registration of extension of the duration has become final and binding, neither a party nor an intervener may file a request for a trial on the basis of the same facts and evidence[19].

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[12] IP High Court, Jul. 11, 2006, Hanrei Times No. 1268, p. 308.
[13] Supreme Court, Jan. 24, 1980, Minshu Vol. 34, No. 1, p. 80.
[14] Patent Act Art. 181, Para. 1.
[15] Administrative Case Litigation Act, Art. 32.
[16] Administrative Case Litigation Act, Art. 33, Para. 1.
[17] Administrative Case Litigation Act, Art. 33, Para. 1.
[18] Supreme Court, Apr. 28, 1992, Minshu Vol. 46, No. 4, p. 245.
[19] Patent Act, Art. 167.

6. Appeal

Decision by the IP High Court in litigation for rescission of a trial decision is appealable to the Supreme Court,[20] within 14 days from the receipt of a certified copy of the decision,[21] based on some limited legal grounds.[22]

7. Attorney's Fee

Our fee arrangement for litigation for rescission of a trial decision before the IP High Court will usually be on an hourly time charge basis. The rate is usually ¥60,000-¥65,000 per hour for a senior partner, ¥50,000-¥60,000 per hour for a partner, and ¥40,000-¥45,000 per hour for an associate.

It will usually cost more than 5 million JPY (other than expenses).

[20] Civil Procedure Act, Art. 311, Para. 1.
[21] Civil Procedure Act, Art. 313 and 285.
[22] Civil Procedure Act, Art. 312, Para. 1 and 2.