

TOPIC

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Full Refund System on Examination Request Fees for Withdrawn Patent Applications

Patent enforcement law and patent law will be partially amended concerning patent fees, and proclaimed and enforced on August 9, 2006, announced the Japan Patent Office (JPO). Accordingly, on the same day, the following will be implemented: (i) "a full refund system on examination request fees" (1 year), (ii) expansion of "the system of lower patent fees for small and medium enterprises having poor resources", and "shortening the term for obtaining examiner's qualification".

This amendment is based on action plans, made by the Headquarters for expeditious and efficient patent examination, which aim to (i) increase the number of applications examined by the JPO; and (ii) reform systems for filing applications and examination request fees concerning applications filed by enterprises. The amendment will be to speed up the examination procedure and promote inventions, regarding the increased number of assistant examiners having a master's degree. This gives applicants incentives for reconsidering the need of examination. Details of the amendment are as follows:

(1) Implementation of "full refund system on examination request fees" (1 year from August 9, 2006)

Under the current system, when a patent application being in prosecution is withdrawn or abandoned before the application is examined (before a first notification such as notice of reasons for refusal is received), half the paid examination request fee is refund. With the amendment, the paid examination request fee is fully refunded only for applications filed from August 9, 2006 to August 8, 2007.

(2) Expansion of "the system of lower patent fees for small and medium enterprises having poor resources"

The current system allows small and medium enterprises having poor resources to pay lower examination request fees, and patent fees (fees for first to third years) within three years. However, under the current system, only small and medium enterprises having less than 10 years history since their establishment are allowed to receive the benefits. With the amendment, this requirement is removed, and any small and medium enterprises having poor resources can utilize the system, regardless of date of their establishment.

(3) Revising the term for obtaining examiner's qualification

Currently, there has been an increase in the number of "assistant examiners" having a master's degree. Regarding this, the new system aims to properly evaluate their experiences including taking a master's degree, so as to shorten the term for obtaining the examiner's qualification.

Toshiba Reaches Settlement in Lawsuit Seeking Compensation for Employee's Inventions

Toshiba Corporation reached settlement in lawsuit with Dr. Fujio Masuoka (currently at Tohoku university, a former Toshiba employee). In the lawsuit, Dr. Masuoka sought compensation for his inventions at Toshiba, demanding the company to pay about ¥1.1 billion. According to Toshiba, this comprehensive settlement covers the invention currently brought in the lawsuit and all employee's inventions (including foreign patents; patents pending; those inventions which did not reach patent registration; other relevant know-how and all others) made by Dr. Masuoka during the period of his employment by Toshiba. The settlement provides that: (1) Toshiba pays Dr. Masuoka 87 million yen in full settlement of the lawsuit; and (2) that both parties confirm that there are no longer any outstanding issues or liabilities between them in respect of these employee's inventions.

Flush memory is non-volatile semiconductor memory which is widely used in (i) memory cards built in, for example, digital cameras and portable phones, and (ii) music players of portable phones. Such flush memory has been developed by Toshiba, followed by Dr. Masuoka's inventions: NOR type in 1980; and NAND type in 1987. Today, Toshiba is the second major semiconductor manufacture, following the world's top manufacture, Samsung Electronic Inc. (Korea).

Dr. Masuoka has filed lawsuits for three cases from March 2004 through September 2005, and demanded Toshiba to pay about ¥1.1 billion for compensation, claiming that Toshiba has gained at least ¥20 billion from the sales of flush memory products and income related to royalties paid by other companies. Toshiba, on the contrary, has asserted that Dr. Masuoka's inventions are modifications and the amount of compensation is not equivalent to his contribution.

"Compared to the amount I sought, the settled amount is not sufficient. But, this is a big step considering what I have received before (about ¥6 million), said Dr. Masuoka after the meeting for the settlement. Toshiba also commented, "we have fully considered both our assertion and our standpoint on the compensation for the employee's inventions, and finally reached this settlement".

Patent Attorneys' Active Roles and Expanding their Services for Protection of Intellectual Properties

The JPO started to consider revising the patent attorney law, aiming to expand business scope of patent attorneys. The amendment focuses patent attorneys' roles: enabling patent attorneys to be representatives of enterprises to deal with (i) lawsuits regarding interference with business activities related to intellectual property rights, and (ii) measures for suspending patent infringing products at custom houses. With this amendment, patent attorneys are allowed to play active roles in fields of protecting intellectual properties.

The JPO aims to amend the patent attorney law on regular diet next year, so as to reflect the above consideration in the revised law. However, such expansion of the patent attorneys' services in the fields of lawsuits may be rejected by attorneys, as an action exceeding their authority.

Please Contact us if You have any Comments or Require any Information.

Please acknowledge that the purpose of our column is to provide general information on the field of intellectual property, and that the description here does not represent our legal opinion on a specific theme.

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