

# Japan Patent & Trademark Update



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## 1. Revision of the Examination Guidelines for Food Product Inventions with Limitations on Use



Tadashi Takeuchi  
Patent Attorney  
[ttakeuchi@tmi.gr.jp](mailto:ttakeuchi@tmi.gr.jp)

### Introduction

The Japan Patent Office (JPO) revised the Examination Guidelines as of April 1, 2016, to have a "use invention" for food patentable. This article will give you a brief summary of the revision.

### Background

Generally, in other countries, claiming a new use which is inherently present in prior art does not necessarily make a claim patentable (MPEP 2112 published by the USPTO, Examination Guidelines G-IV, 7 published by the EPO).

However, historically in Japan, the use limitation of a "use invention" is considered to be a distinguishable feature. In fact, under the Examination Guidelines, a "use invention" has been treated as patentable when the use is not known, despite the product being known. In Part III, 2, 4, 3 of the Guidelines, the "use invention" is required to be an invention satisfying the following points: (i) discovering an unknown characteristic of a product and (ii) finding out that the product is suitable for a novel use application because of such characteristic, among inventions of products with limitations on use.

Japan's examination practices on "use inventions" are generally applied to technical fields in which it is relatively difficult to know how to use the product based on the structure or name of the product, such as a technical field for a composition comprising a chemical compound.

However, under the pre-revision Examination Guidelines, the examiners reviewing "use inventions" in practice have not applied the "use invention" practices to food products, even if the use was based on an unknown characteristic of known foods (component) which was newly found out. This is because the use of food product inventions was not considered to be a novel use which could distinguish known foods.

## Revision of Examination Guidelines

Functional foods are becoming popular in Japan. A "functional food" is defined as a food with an additional function (often one related to health promotion or disease prevention). The functional food market is growing and investment into research and development for functional foods is increasing. In addition, in April 2015, a new food labeling program for labeling functions on food packages was launched, entitled "Foods with Function Claims Program." In view of this situation, further protection and utilization of food inventions is required.

In light of the above, this April, the JPO revised the Examination Guidelines (Part III, 2, 4, 3) so that the use limitation of a "use invention" in the technical field of food, hereinafter referred to as a "food use invention", could be considered to constitute a distinguishable feature. The revised Examination Guidelines ("revised guidelines") have been applied to inventions patented on or after April 1, 2016.

A Case Example in the revised guidelines for food use inventions is set forth below:

*Case Example* Claim 1 recites "a yogurt for use in preventing a hangover, comprising Component A as an active component" (claimed invention). Cited document 1 discloses "a yogurt comprising Component A as an active component" (cited invention).

The claimed invention and the cited invention have no differences except for the use limitation: "for use in preventing a hangover". In this case, the use limitation of the claimed invention is considered to constitute a distinguishable feature, provided that both of the following conditions (i) and (ii) are satisfied (Part III, 2, 4, 3 of the revised guidelines).

(i) The "use in preventing a hangover" is derived from the discovery of an unknown characteristic that promotes alcohol metabolism by Component A.

(ii) The use application which is derived from the characteristic is different from any known uses and is novel.

Note that the term "use" often seems to be closely related to the words "function" and/or "effect".

## Scope of Patents on Food Use Inventions

In order to understand the scope of a patent on a food use invention, the court ruling on (second) medical use inventions may be applied, because, use inventions for food are similar to those for medicine in that they are all based on unknown characteristics of known compounds.

In the courts, the scope of a patent with a use limitation has been found not to cover products not used for the limited use, but to only cover products used for the limited use.

In one particular case involving a medical use invention, the court held that the use of the product concerned should be judged based on the documents that were supplied with the product, which described its effects, its target disease, and its dosage and administration, such as dosing time, dosing procedure, dosing amount or administration areas (Tokyo District Court, (Wa) No.12094 (1990)).

Taking the similarity between medicine and food products into consideration, I believe that uses of food use inventions could be judged based on the documents supplied with the products concerned, such as food labels provided in accordance with the "Foods with Function Claims Program".

## Conclusion

As described above, a use limitation of a food use invention could now be considered to constitute a distinguishable feature in Japan. Therefore, it is important for applicants in other countries to understand this in order to obtain appropriate patent protection for food in Japan.

We would welcome any questions regarding this article from you.

## 2. The JPO's Recent Revision to the Japanese Design Examination Guidelines for Graphic Designs



Koji Akanegakubo  
Patent Attorney  
[kakanegakubo@tmi.gr.jp](mailto:kakanegakubo@tmi.gr.jp)

### Introduction

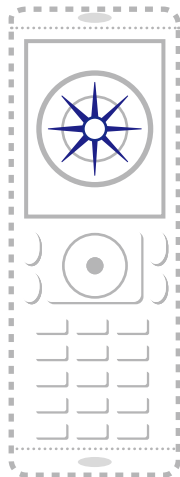
The recent revision to the Japanese Design Examination Guidelines for graphic designs has led to a wider scope of GUI designs becoming registrable.

### Expansion of the scope of registrable GUI designs

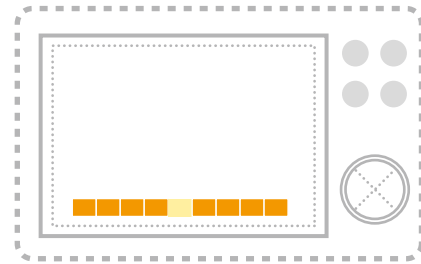
Under the previous Japanese Design Examination Guidelines, in order to register a graphic image as a design registration, it was necessary for graphic images to have been recorded onto the article in advance (prior to putting the article on the market), as can be seen from the following examples.

[Examples]

“A mobile phone having an azimuth measurement”



“A digital camera with a level function that senses the tilt of the camera”



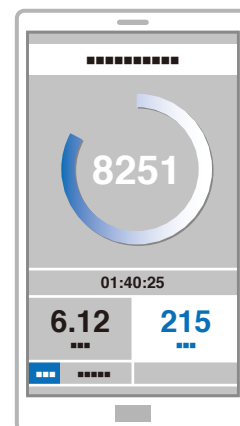
Therefore, graphic images which are recorded onto the article afterwards (e.g. downloadable software applications) or are displayed after upgrading the pre-installed software were excluded from the scope of registrable designs.

However, with rapid advancements in information and communication technology, devices whose functions can be later upgraded and mobile electronic devices that are used with downloadable applications (e.g. smartphones and tablet computers) have become widespread. In order to adapt design examination practices in Japan to accommodate these advancements and in light of the current situation, the Japanese Design Examination Guidelines (hereinafter referred to as "the new Guidelines") have been revised as explained below.

### Graphic images registrable after the revision

Under the new Guidelines, graphic images recorded onto an article at a later stage shall be regarded as designs which can be registered.

[Example] “Computer with a pedometer function”



Graphic images which are supplementary to the function of a computer and have been recorded by installing software shall also be regarded as designs which can be registered.

[Example] “Computer with a function for creating postcards”



### Graphic images which are not yet registrable

A graphic image displayed based on signals sent from outside the article, such as a graphic image of a television program or an internet website, a graphic image which is recorded merely onto a recording medium connected to or inserted in the article, and a graphic image of so-called “content,” such as a scene from a movie or an electronic game, shall still be regarded as not constituting a design.

[Example] “Graphic image of an internet website”



### Criteria for judging similarity

The criteria for judging similarity on whole and/or partial designs in the previous Japanese Design Examination Guidelines shall be applied to the criteria for judging similarity to a design including a graphic image.

### Effective Date of the Revised Japanese Design Examination Guidelines

The revised Design Examination Guidelines shall be applicable to applications for design registration filed on or after April 1, 2016, in principal.

### Conclusion

As discussed above, it is certain that the new Guidelines for graphic designs have led to a widening of the scope of GUI designs which can be registered. However, the revision may be insufficient in view of the fact that graphic images such as internet websites are still beyond the scope of design registrations, since such designs are not integrated into the article and are not registrable under the current Design Act.

In order to extend the scope of protection to certain graphic images such as those available on cloud services, it is necessary to revise the definition of the “article” eligible for design registration under the Design Act.

With this revision, the JPO is making groundbreaking progress in protecting graphic designs. However, we need to monitor whether the JPO will take further steps towards expanding the protection to other graphic images such as internet websites in the future.

### 3. Trademark Overview 2015 – Court Decisions in Japan



Gen Yamaguchi  
Trademark Attorney  
[gyamaguchi@tmi.gr.jp](mailto:gyamaguchi@tmi.gr.jp)

#### Introduction

When you plan to file a trade-mark related lawsuit in Japan, the court decision trends outlined below should be considered.

The number of trademark-related court decisions in 2015 was 74, which included 45 administrative cases and 29 trademark infringement cases. The 45 administrative cases can be further broken down to 18 cases seeking to overturn the Japan Patent Office (JPO)'s Appeal Board decision to reject the trademark application, 14 cases seeking to overturn the JPO's Trial Board decision to invalidate or not invalidate trademark registration, and 10 cases seeking to overturn the JPO's Trial Board decision to cancel or not cancel trademark registration due to non-use, and 3 cases involving other issues. The 29 trademark infringement cases included 18 cases in the district court (first instance) and 8 cases in the Intellectual Property (IP) High Court (second instance).

#### Trend of Court Decisions in Japan

First, of the 18 cases that sought to overturn the JPO's Appeal Board decision rejecting the trademark application, there is only one case where the court reversed the JPO's Appeal Board decision, with the court finding that the filed mark was not similar to the cited marks.

[Filed mark]



[Cited Marks]



In the other 17 cases, the court upheld the decision of the JPO's Appeal Board. This clearly shows the tendency of the court to uphold the JPO's Appeal Board decision rejecting trademark application.

Secondly, the court overturned the JPO's Trial Board decision to invalidate or not invalidate trademark registrations in 6 cases, disagreeing with the JPO mostly on the issue of similarity of marks or likelihood of confusion. For instance, in one of these cases, the court dismissed the plaintiff's claim that a later-registered mark "RUNE" should be invalidated based on similarity with a prior-registered mark "René," ruling that the two marks would not be similar in the mind of the average consumer.

[Later-registered mark]

**RUNE**  
(standard character)

[Prior-registered mark]

**René**

On the other hand, there were no cases where the court overturned the JPO's Trial Board decision on the inherent registrability of a mark, such as distinctiveness.

This may indicate that a plaintiff may have a greater likelihood of success overturning the JPO's Trial Board decision on the issue of similarity of marks or likelihood of confusion, rather than on the issue of inherent registrability.

Thirdly, in 2015 the court showed a continued tendency to decide against plaintiffs in trademark infringement cases. Of the 26 infringement cases, only in 8 cases were the plaintiff's claims accepted by the court. These 8 cases were all decided in the district court, and some of these cases could still be overturned by the IP High Court. The IP High Court has overturned one case already, disagreeing with the district court's ruling in favor of the plaintiff and holding that the following marks are not similar because of differences in overall impression and relevant customers and co-existence of similar trademarks at the Register and in the market.



[Plaintiff's registered mark]



[Defendant's used mark]



### Noted with interest: “EUROPEAN COFFEE”

As background, the plaintiff brought a non-use cancellation action before the JPO’s Trial Board against the registered mark “EUROPEAN (in Japanese katakana)”, designating goods “coffee and cocoa”, etc. in Class 30. The JPO Trial Board, accepting evidence of use provided by the owner of the registration, dismissed the plaintiff’s action.

[Evidence of Use]



The plaintiff brought the case to the IP High Court. The court upheld the JPO’s Trial Board decision and allowed the registration to be maintained, ruling that the indication of “EUROPEAN COFFEE (in Japanese katakana)” on the upper side of instant coffee packaging constitutes legitimate use of the registered mark “EUROPEAN (in Japanese katakana)”. Although the term seems to be descriptive of a kind of coffee, the IP High Court found that “EUROPEAN” on the packaging is followed by the registered trademark symbol “®” at the upper-right corner, the indication of “EUROPEAN COFFEE” is written in much larger sized font than other elements shown on the packaging so that consumers can recognize it as the trademark “EUROPEAN” (used together with a generic term “COFFEE”), and there is no other distinctive element on the packaging which can function as a trademark. This case is representative of a recent tendency of the court to be unwilling to cancel a registration based on non-use when evidence of use has been submitted.

### Conclusion

In summary, when considering filing trademark-related lawsuits in Japan, plaintiffs should keep in mind that (1) there is a tendency of the court to uphold JPO Appeal Board decisions rejecting trademark applications, (2) litigants may have greater success overturning JPO Trial Board decisions on the issue of similarity of marks or likelihood of confusion, rather than on the issue of inherent registerability, (3) courts have continuously shown a tendency to decide against plaintiffs in trademark infringement cases, and (4) there is a recent trend of the court being unwilling to cancel a registration based on non-use if evidence of use has been submitted.

## 4. Enhancement of Relief Measures for Prosecution in Japan



Tomonori Tanaka  
Patent Attorney  
[ttanaka@tmi.gr.jp](mailto:ttanaka@tmi.gr.jp)

### Introduction

There might be relief measures to help you in the event that you inadvertently miss a certain deadline defined in the Japanese Patent Act. The Japanese Patent Act has been revised to expand the target deadlines and conditions for which relief measures are available. These measures are also available in the same cases under the Utility Model Act, Design Act, and Trademark Act.

### Target Deadlines and Conditions

After the revision, relief measures may be available when taking certain procedures (see Table 1). In principle, these measures are available only in cases in which there are "reasons not attributable to the applicant" or "justifiable reasons". In general, a request for a relief measure needs to be filed along with an explanation of the reasons within two months from the date on which the reasons ceased to exist and within one year from the initial deadline.

[Table 1] (Representative Target Procedures)

Target deadline for filing:	Reasons not attributable to the applicant	Justifiable Reasons
Application with priority	-	○
Translation of foreign application	-	○
Request for examination	-	○
Certificate for grace period	○	-
Divisional application	○	-
Patent fees	○	-

### Comparison of the Types of Reasons

"Reasons not attributable to the applicant" cover very limited situations, such as disasters, while "justifiable reasons" cover certain situations other than disasters (see Table 2). "Justifiable reasons" correspond to "due care," which is defined in section 12 of the Patent Law Treaty (the "PLT"). Although the PLT also defines, in section 12, "unintentional" reasons, whose criteria are more lax than those for "due care," the Japanese Patent Act does not provide for "unintentional" reasons. Therefore, despite the enhancement, the application of relief measures in Japan is still considerably strict.

[Table 2] (Comparison of the Types of Reasons)

Reasons	Reasons not attributable to the applicant	Justifiable Reasons
Disasters	○	○
Emergency hospitalization of a person in charge	×	○
Unavoidable system error	×	○

As to "justifiable reasons," in a certain precedent-setting case (JP Patent No. 4517125), a relief measure was available despite the fact that the deadline was missed due to a human error. In this case, the applicant successfully proved the fact that applicant took "due care" and that there were various causes behind the human error.

### Conclusion

As discussed above, relief measures have been enhanced in Japan. However, since the application of relief measures in Japan is still considerably strict, you must carefully consider how to assert the existence of "justifiable reasons" as well as the kind of evidence that you should prepare. We hope that we can support you if you inadvertently miss a deadline and require relief measures.

## 5. About TMI

Since our establishment on October 1, 1990, TMI Associates has grown rapidly to become a full-service law firm that offers valuable and comprehensive legal services of the highest quality at all times. Among TMI's practice areas, intellectual property (IP) – including patents, designs and trademarks – has been a vital part of the firm from the beginning, and our firm boasts an unrivalled level of experience and achievement in this area.

### Organizational Structure

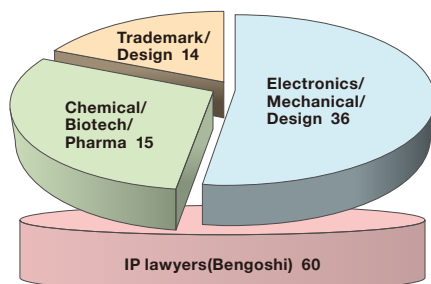
TMI, one of the "Big Five" law firms in Japan, has a total of more than 750 employees worldwide, including around 450 IP/Legal professionals, comprised of approximately 350 attorneys-at-law (Bengoshi), 70 patent/trademark attorneys (Benrishi), and 30 foreign law professionals.

Attorneys (Bengoshi)	353
Patent/Trademark Attorneys(Benrishi)	65
Foreign Law Counsels	5
Foreign Attorneys	21
Foreign Patent Attorney	1
Advisors	3
Management Officers	2
Patent Engineers, Staff	304
<b>Total</b>	<b>754</b>

(As of May 2,2016)

### Attorneys/Patent Attorneys' Areas of Expertise

TMI's practice covers all aspects of IP, including patent/trademark prosecution, transactions (e.g., patent sales, acquisitions and licensing), litigation, invalidation trials, oppositions, due diligence activities and import suspension at the customs. TMI handles over 3,000 patent/trademark/design applications and over 20 IP lawsuits per year and TMI's patent team covers all technical fields, including electronics, computer software, telecommunications, semiconductors, chemicals, biotechnology, pharmaceuticals, and mechanical fields.



### Awards

The firm and our attorneys/patent attorneys have been the proud recipients of awards every year in recent times. Here is a selected list of just some of the awards TMI has recently received.

- ✓ International Legal Alliance Summit & Law Awards (2014 and 2016): "Best Japanese IP Firm 2014 and 2016"
- ✓ ALB Japan Law Awards (2010, 2011 and 2014): "IP Law Firm of the Year"
- ✓ Ranked TIER1 for IP local firms by The Legal 500 Asia Pacific in 2015
- ✓ Selected as a Recommended firm for patent prosecutions by IAM Patent 1000 (2015 and 2016)
- ✓ Ranked Gold for Trademark Practice by World Trademark Review (WTR) 2013, 2014, 2015 and 2016

### Contact and Global offices

If you have any questions or requests regarding our services, please contact our attorneys and patent attorneys who you regularly communicate with or use our representative address.

#### TMI Associates

23rd Floor, Roppongi Hills Mori Tower  
6-10-1 Roppongi, Minato-ku,  
Tokyo 106-6123, Japan  
Email: [IP-newsletter@tmi.gr.jp](mailto:IP-newsletter@tmi.gr.jp)

Offices - Tokyo, Nagoya, Kobe, Shanghai, Beijing, Yangon, Singapore, Ho Chi Minh City, Hanoi, Phnom Penh, Silicon Valley

#### Feedback

If you have any comments, questions or requests regarding our newsletter, please contact Toyotaka Abe ([tabe@tmi.gr.jp](mailto:tabe@tmi.gr.jp)), editor-in-chief.