



# Questions and Answers

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The logo for the Discover IP JAPAN Conference 2017 is located in the bottom left corner. It features a stylized globe with red and yellow segments and a blue patterned area, with the text 'Discover IP JAPAN Conference 2017' in white on a red background.

**Discover IP JAPAN  
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# Q 1: Difficulty of Enforcement ?

- Collecting evidence without discovery ?
  - Document production order.
  - Court requests parties to voluntarily produce documents.
  - Discussion for legislative change is ongoing
- Narrow Claim Construction ?
  - Not the case any longer...(e.g., DOE, broad claim construction case)
  - In the past, defendants could not raise invalidity defense before the court

# Q 2: Nationalistic Tendencies ?

- In the past, maybe in some cases...
  - E.g., Kilby Patent case
- Now, IP Judges are trained to be very fair.
  - Always very professional.
  - In this age of “globalization”, it is meaningless to be unfairly in favor of “Japanese” companies.

# Q 2: Nationalistic Tendencies ?

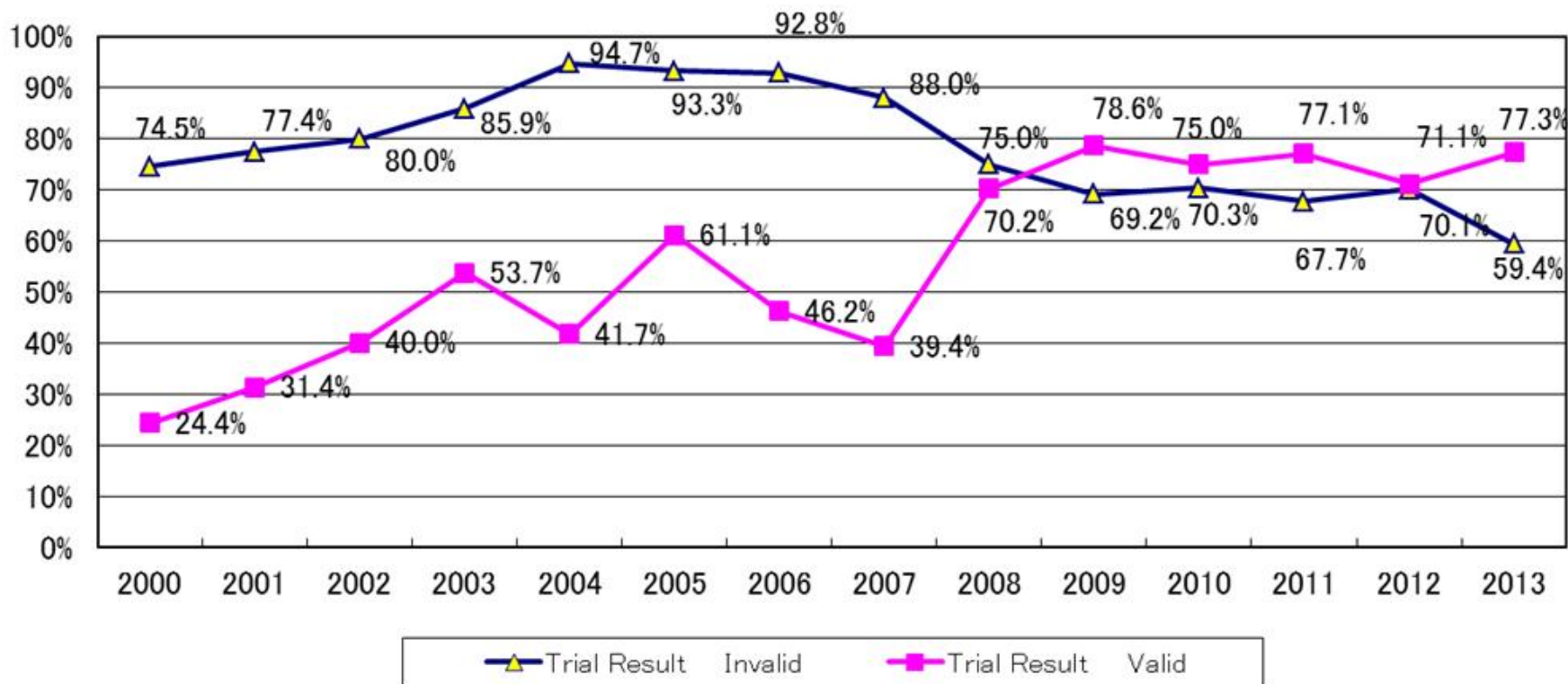
- Some remarkable cases...
  - Recent case where the court awarded injunction order against JP pharma company for French pharma.
    - *Merial S.A.S v. Fujita Pharmaceutical Co., Ltd.* (Decision by Tokyo District Court rendered on October 30, 2015)
  - 1998 case where the court awarded about 2.6 billion JP Yen (26 million USD) for U.K. company
    - *Smith Kline & French Laboratories v. Fujimoto Pharmaceutical Co., Ltd.* (Decision by Tokyo District Court on October 12, 1998)

# Q3: Risk of losing patent ?

- In fact, **the risk of invalidity** is NOT high in comparison with other countries
  - U.K.: **59 %** (from 2009 to 2014 before the patent court)
  - Germany: **78 %** (from 2009 to 2012 before the patent court, excluding cases withdrawn or settled)
  - U.S. (IPR proceeding): **83 %** (until January, 2015)
  - Japan : **36 %** (from 2004 to 2013 in patent infringement litigation)

Source: Survey by Japanese Ministry of Justice and Institution of Intellectual Property

# Upholding rate by the IP High Court regarding Invalidation Trial Decisions by JPO



**If JPO's decision is "valid", then the IP High court is very likely to uphold such decision !!**

# Q4: Hostile to patentees ?

- Unofficial Analysis by one of the IP High Court judges says actual winning rate for the plaintiff is around 50% (or, even more!) of all the cases (next slide).
- Unofficial Analysis on settlements by Chief Justice of the IP High Court (slide 9)
- If the Court finds infringement of a valid patent right, the court will try to settle the case, without going to decision.
  - This is why the apparent winning rate for patentee seems low.

# Actual Winning Rate

- Actual winning rate of patentee (Cases handled by 29<sup>th</sup> division of the Tokyo District Court)

Year	Judgment (a)		Settlement (c)		Patentee's winning rate (b)+(d)/(a)+(c)
		In favor of patentee (b)		In favor of patentee (d)	
2006	27	5	50	27	42%
2007	33	13	39	23	50%
2008	25	13	49	29	57%
2009	20	8	50	37	64%

Source: Misao Shimizu “Current Status of IP divisions of the Tokyo District Court Based on Statistics” Hanrei Times No. 1301-84p



# Actual Winning Rate

Survey on settlements before the Tokyo and Osaka District Court from 2011 to 2013

Number of Settlements Surveyed	Under Seal	Injunction Order	Payment of money w/o injunction	Other
94	10	41	29	14

Source: Ryuichi SHITARA (Chief Justice of the IP High Court) “Ten Years of IP High Court and its future prospect”

# Q4: Hostile to patentees ?

- Interesting survey by CABINET SECRETARIAT IP Strategy Promotion Office
  - implies that it is critical to choose good attorneys in order to obtain good results !

# Q5: Cost/Value ?

- Automatic Injunction if court finds infringement of valid right
  - No *Ebay* defense
- Average Cost for 1<sup>st</sup> instance proceeding (by supposition)
  - Around \$ 80,000 to \$250,000...cost effective
- Damage awarded (recent cases)
  - Nikon v. Sigma (in 2015): 15 million US dollars
  - Many other million dollar cases



# Thank you for your attention

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