

# Recent Developments

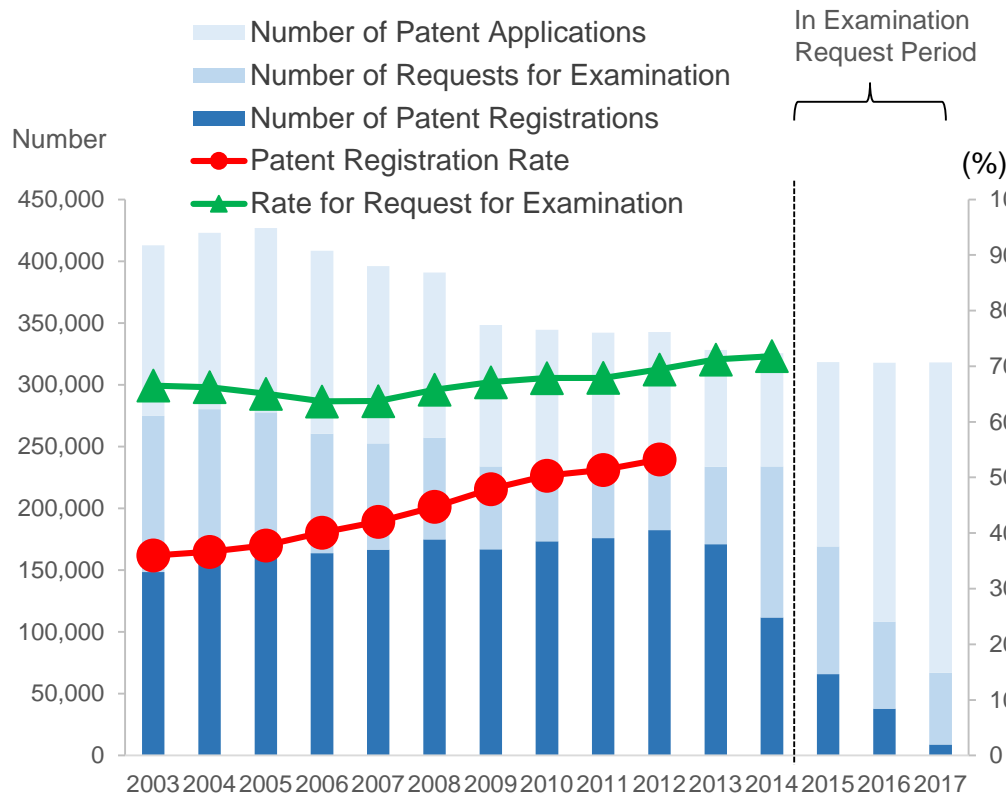
**IP5 Heads of Office with IP5 Industry Meeting  
13 June 2018**

**Japan Patent Office**

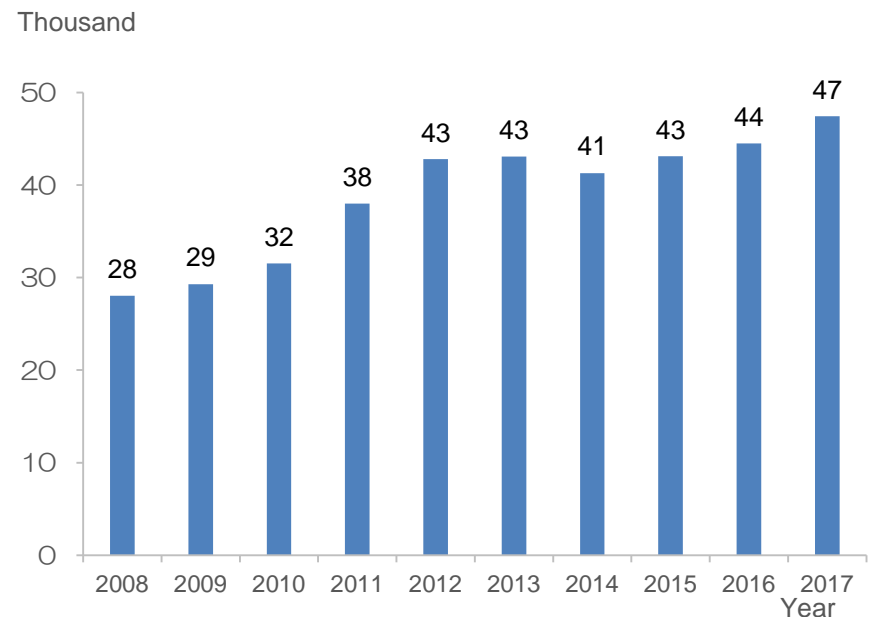
# 1. Trends in patents

- Rising examination request and patent registration request rates
- Number of PCT applications also increasing

## Number of patent applications and registrations in Japan



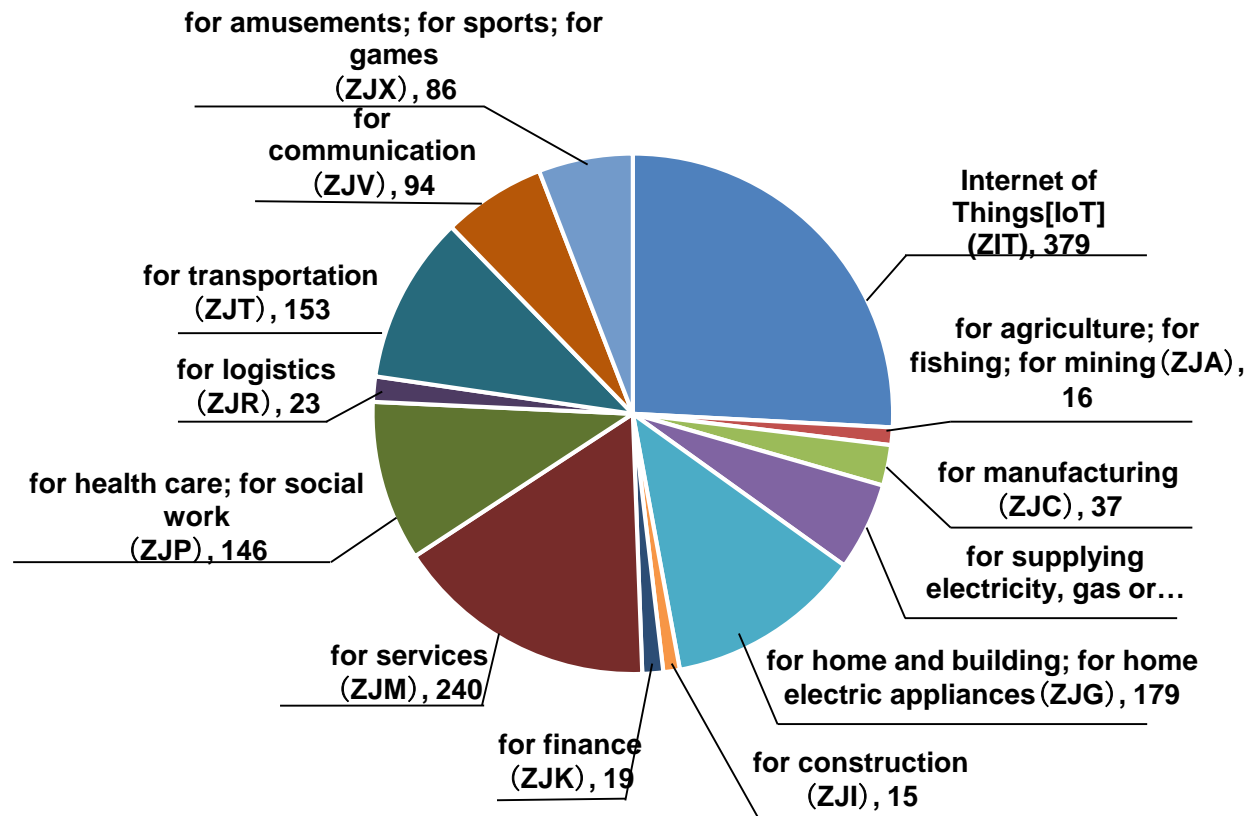
## Number of PCT applications



## 2. Initiatives in response to IoT boom

- 23 new hypothetical cases related to IoT technologies published in the Examination Handbook
- The new patent classification “ZIT” assigned to IoT technologies

### Number of Patents Issued for IoT Technology Inventions



■ Our Guide to Licensing Negotiations involving SEPs was published on 5 June, 2018.

## **I. Purpose of the Guide**

- Designed to:
  - Enhance transparency and predictability
  - Facilitate negotiations between rights holders and implementers
  - Help prevent or quickly resolve disputes concerning SEPs
- Features:
  - Not legally binding
  - Not prescriptive
  - Does not provide “recipes”

## **II. Methods for Negotiating Licenses**

### **A. Good Faith**

- Issues relating to actions at each stage of negotiations
- Examples of actions in bad faith

### **B. Efficiency**

- Factors for efficient negotiations
  - Parties to negotiate in supply chain

## **III. Methods for Calculating Royalties**

### **A. Reasonable**

- Royalty base
- Royalty rate

### **B. Non-discriminatory**

- Is a use-based license discriminatory?

### **C. Other Factors**

- Lump-sum or running royalty

■ JPO began the operation of the “Hantei” system for essentiality check on 1 April, 2018.

## 4. Patent Act Revised to Encourage SME IP Use

### ■ SME patent fees cut by 50% across the board.

※This revision will come into effect within a year from 30 May, 2018.

	Before revision		After revision
SMEs eligible for fee reduction/exemption	Only around 30% of SMEs eligible (??companies in debt??, R&D companies, etc.)	→	<b>All SMEs</b>
Procedure	Complicated (certification documents required) ※ On average, applicants must keep their patent for 10 years	→	<b>Simple (no certification documents)</b>
Domestic application fees	About JPY400,000	→	<b>About JPY200,000</b>
International application fees	About JPY200,000 ※ International application fees are paid to the JPO and WIPO ※ A hike in fees for other users is planned to compensate for the reduction in the patent special account.	→	<b>About JPY100,000</b>

### ■ Grace period extended from six months to one year.

※This revision came into effect on 9 June, 2018.

**Thank you!**