

# JAPAN INTELLECTUAL PROPERTY ASSOCIATION

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The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
United States Patent and Trademark Office  
Alexandria, Virginia

Re: JIPA Comments on the "Changes To Implement Derivation Proceedings"

Dear Under Secretary Kappos:

We, the Japan Intellectual Property Association, are a private user organization established in Japan in 1938 for the purpose of promoting intellectual property protection, with about 900 major Japanese companies as members. When appropriate opportunities arise, we offer our opinions on the intellectual property systems of other countries and make recommendations for more effective implementation of the systems. (<http://www.jipa.or.jp/english/index.html>)

Having learned that the "Changes To Implement Derivation Proceedings", published by the United States Patent and Trademark Office (USPTO) in the Federal Register, Vol.77, No.28, on February 10, 2012. We would like to offer our opinions as follows. Your consideration on our opinions would be greatly appreciated.

JIPA again thanks the USPTO for this opportunity to provide these comments and welcomes any questions on them.

Sincerely, yours,

Yoichi Okumura

President

Japan Intellectual Property Association

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## **JIPA Comments on the “Changes To Implement Derivation Proceedings”**

JIPA has closely and carefully examined the proposed amendment to 37CFR, publicized in the Federal Register issued by the United States Patent and Trademark Office (USPTO) as of February 10, 2012, under the title of "Changes To Implement Derivation Proceedings" (hereinafter referred to as the "Proposed Amendment"). JIPA hereby presents its comments on this proposed amendment.

1. In the Proposed Rules, §42.405, Content of Petition, (b)(2), provide as follows:

”(b) In addition to the requirements of §§ 42.8 and 42.22, the petition must: ...

(2) Demonstrate that an invention was derived from an inventor named in the petitioner’s application and, without authorization, the earliest application claiming such invention was filed.”

This provision requires the petitioner to demonstrate that the invention **was derived** from him/her, and does not require the respondent to demonstrate that the invention **was not derived** from the petitioner. According to this, JIPA understands that the burden of proof of the fact of derivation is imposed on the petitioner.

However, it is usually difficult in reality for the petitioner to prove the fact of derivation. From this viewpoint, some court rulings in Japan held that the respondent must prove the fact that the invention was not derived from the petitioner (Tokyo District Court, 2001 (Wa) No. 13678, Intellectual Property High Court, 2005 (Gyo-Ke) No. 10193). In order to make the derivation proceeding more suitable for practical use, JIPA would propose that the USPTO collect case examples and study the possibility of imposing a certain degree of burden of proof on the respondent as well.

2. Also with a view to making it easier for the petitioner to prove the fact of derivation, JIPA would request that the USPTO indicate what kind of evidence is admissible when the petitioner demonstrates that the invention was derived from him/her, by presenting specific case examples in rules or other materials.

3. 35 USC section 135 and 37 CFR 42.402 require that inventors should be the patent applicants. The Discussion of Specific Rules states that "This proposed rule also ensures that the petitioner has taken steps to obtain patent protection for the same or substantially same invention, thus promoting the useful arts. Facially improper standing would be a basis for denying the petition without proceeding to the merits of the decision". JIPA understands that a petition for a Derivation proceeding could be filed only when the true inventor has filed his or her own patent application. However, the petition for the Derivation proceeding should be granted even when the true inventor has not filed his or her patent application because the true inventor may misunderstand that his or her invention is a mere modification of the prior art.

The new article of 35 USC 135(b) states that PTAB replaces the name of former application with the name of the true inventor in appropriate circumstances. Accordingly, JIPA believes that the legislator of the new law intended that it is proper procedure to file a patent application at the time of filing a petition for the Derivation Proceeding, and a patent right should be rendered to the true inventor by correcting the inventor's name of former patent application, when PTAB determines the true inventor.

Therefore, JIPA would request that MPEP should mention that the petition for the Derivation proceeding should be granted by filing the latter patent application at the time of filing the petition for the Derivation Proceeding even when the true inventor has not filed his or her patent application.

4. 35 USC section 135 and 37 CFR section 42.403 mention that the petition for the Derivation Proceeding should be filed within one year from the time of the first publication of the former patent application. The Discussion of Specific Rules provide as follows:

"Section 42.402: Proposed § 42.402 would provide who may file a petition for a derivation proceeding.

Section 42.403: Proposed § 42.403 would provide that a petition for a derivation proceeding must be filed within one year after the first publication of a claim to an invention that is the same or substantially the same as the respondent's earlier application's claim to the invention. Such publication may be the publication by the USPTO of an application for patent or patent or by the World Intellectual Property Organization of an international application designating the United States."

However, an international WIPO application is usually published with the language of country in which its application was filed. For example, if a Chinese applicant filed a misappropriated PCT application designating the U.S., the application will be published with Chinese. In this case, it is difficult for the Japanese true inventor to file a petition for the Derivation proceeding within one year from the time of international publication of the PCT application. In terms of international application, JIPA would request that USPTO would consider this point and define clearly that the first publication of 37 CFR 42.403 means the publication of the international application designating the U.S. with English language.

5. New section 291 provides a patentee with remedy for determining a true inventor and new section 135 provides a patent applicant with remedy for determining a true inventor. JIPA believes that these two procedures seem to be similar. However, the scope for the section 291 and the scope for the section 135 seem to be different from each other.

The scope of the section 291 is defined as "the same invention" but the scope of the section 135 is defined as "the same or substantially the same." If this is not typo, JIPA would like USPTO to make the reason for this difference of the scope clear.

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