

JAPAN INTELLECTUAL PROPERTY ASSOCIATION

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12th November, 2012

Mr. D. V. Prasad
Joint Secretary
Department of Industrial Poliscy and Promotion
Ministry of Commerce and Industry
Government of India

Dear Mr. D. V. Prasad,

Re: Invitation of Views on Draft National IPR Strategy

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.

As for recruiting comments on 'Invitation of Views on Draft National IPR Strategy' on your website, we submit important issues for IP stakeholders.

Your consideration on our opinions would be greatly appreciated.

Yours faithfully,

(Kenichi Osonoe)

Vice President

Japan Intellectual Property Association

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JIPA's Opinions on the draft National IPR Strategy

Japan Intellectual Property Association

With regard to India's draft National IPR Strategy, JIPA would like to express its opinions as follows:

1. Improvements in the institutions that grant and protect IPRs

- Regarding Item 36, i), ii), and iii)

Digitization of IP records and establishment of an IP database accessible to the public would be beneficial to applicants in the world. JIPA expects much of greater transparency in the examination process.

- Regarding Item 36, v)

As an IP user, JIPA welcomes the acceleration of examinations. It also appreciates to increase the number of patent examiners and improve their ability of examination through proactive human resources development and education system. Such an increase in number is also desired for examiners in designs and trademarks section.

JIPA would request to eliminate the backlog of unexamined applications and to maintain uniform examination quality in all technical fields.

If you bring into any new method of shortening examinations period, such as changing the acceptance period (currently 12 months) in the patent law, please carefully consider in various cases and listen to user's opinion in the world.

Also, JIPA requests the introduction of a patent prosecution highway program between India and Japan for accelerating the examination and referring examination reports made by the first office (Japanese Patent Office).

2. Protection of Utility Models

- Regarding Item 48

JIPA agrees with the term of protection for utility models at five to seven years. It would be beneficial for business operators in the world that Indian IP system has enable the use of different types of rights depending on the desired term of protection—'patent' for medium and long-term protection and 'utility model' for short-term protection—

JIPA would strongly request that, if substantive examination is not required for registration in feature Utility Model Law in India, the Utility Model Law would be drafted to obligate applicants to present a technical assessment report when enforcing their rights. For instance, under the Japanese utility model system, the JPO (Japanese Patent Office) determines the novelty of, and involvement of an inventive step in, utility models, and prepares a technical assessment report upon the applicant's request.

In addition, JIPA has the following requests regarding the Indian utility model system: (a) clarification of the scope of the subjects to be protected (e.g. protection of the shape of objects only); (b) tightening of the requirements for registration (adoption of the principle of absolute novelty; requiring the involvement of an inventive step); (c) clarification of the obligations to be observed by the right holder upon enforcement (requiring the submission of a technical assessment report or substantive examination; preventing one person from obtaining both a patent right and a utility model right for the same subject matter); (d) introduction of the revocation process; (e) facilitation of the utility model searches (establishment of a database that allows users to conduct searches in English and to view drawings easily).

On this issue, please also refer to JIPA's opinions dated June 30, 2011, which were expressed with regard to the Discussion Paper on Utility Models released in May 2011.

(JIPA's opinion on the Discussion Paper on Utility Models)

http://dipp.nic.in/English/Discuss_paper/feedback9_JIPA_30June2011.pdf

3. Protection of Trade Secrets

• Regarding Item 50

It is not all cases that there are any contracts between the parties when a business operator sustains damage due to its trade secrets falling into hands of another during the course of its business activities. For instance, a third party with malicious intent could first acquire trade secrets from a business operator and offer to sell such secrets to the business operator's competitor. There is a possibility that protection of trade secrets under contract law would not cover damages caused by the unauthorized acquisition of trade secrets by someone other than the counterparty to a contract.

Therefore, it would be desirable to introduce a system equivalent to the Japanese system under the Unfair Competition Prevention Act, which

criminalizes the unauthorized acquisition of trade secrets regardless of the existence of a contract; that is, a system for “taking measures for the prevention of unfair competition and compensation for damages caused by unfair competition, in order to ensure fair competition among business operators and accurate implementation of international agreements related thereto.”

4. Facilitating the Commercialization of IPRs

- Regarding Item 53

JIPA is in favor of the Government of India’s proactive attitude toward helping SMEs commercialize their own technologies/IP. However, it believes excessive intervention by the government itself or government-certified advisors in relation to the matters set forth in i) to vi) should be avoided; the principle of freedom of contract for parties (right holders) should be respected.

5. Protection of Copyrights

New types of usage of copyrightable works that should be deemed legitimate are emerging in concert with the advancement of digitization and networking, and discussions are occurring, and legal amendments are being made, concerning legitimate use in many countries. Although this issue is not included in the present draft strategy, India is likely to face it as well in the near future. Therefore, JIPA would request that India consider the issue of legitimate use of works so that it does not impede innovation.