The Role of *Benri-shi* (Patent Attorneys) in Japanese Patent Disputes

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I. History of the Patent Attorney System in Japan

The Japanese patent attorneys system was established in 1899. The Patent Attorneys Association was founded in 1915, and the first Patent Attorneys Act was enacted in 1922.[1] An important step was the admittance in 1948 of representation by patent attorneys before the Tokyo High Court in suits for rescission of decisions of the trial boards (*shinketsu torikeshi soshō*) of the Japan Patent Office. This was the very beginning of the involvement of Japanese patent attorneys in court proceedings.

In 1998, the reform of the intellectual property system in Japan was begun. In 2002, for the first time patent attorneys were retained as court research officials by the Tokyo District Court and the Tokyo High Court. In the following year of 2003, the Patent Attorneys Act was revised to create the *fuki benri-shi* system, which will be explained in detail below. Several other novel features were introduced into the Japanese IP system in that year. Next, the Intellectual Property High Court was established in 2005.

II. What Are the Functions of a *Benri-shi* in a Patent Dispute?

The functions of a Japanese patent attorney in patent infringement disputes are similar to those of a German patent attorney in such cases, except that court research officials and expert commissioners do not exist in the German system:

- opinion work on infringement and validity issues,
- warning letters,
- licensing negotiations and contracts,
- invalidation trial before the JPO,

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1 The present Patent Attorneys Act dates from the year 2000 [*Benri-shi-hô*], Act No. 49 of April 26, 2000.

- arbitrator or mediator at the Japan IP Arbitration Center,
- assisting the attorney-at-law in patent infringement litigation (since 1922),
- custom seizure proceedings,
- court research official, and
- expert commissioner.

There is no English concept for the Japanese qualification *hosa-nin*, which denotes the role of *benri-shi* as an assistant to the attorney-at-law (*bengo-shi*) in infringement litigation. Literally the term corresponds to the German *Beistand*, although the common German equivalent is probably *mitwirkender Patentanwalt*. A proper English translation may be *patent counsel*. All approximately 8300 registered Japanese patent attorneys are entitled to work as patent counsels assisting the attorney-at-law in infringement lawsuits.

Of the 180 registered expert commissioners, 30 are patent attorneys. Two patent attorneys presently serve among the 21 court research officials at the district courts and IP High Court, the rest of which are experienced appeal examiners.

As a matter of course, Japanese patent attorneys can represent their clients before the JPO, the IP High Court in suits for rescission of decisions of the trial boards of the JPO in appeal proceedings against the examiner's refusal, and patent invalidation proceedings.

III. THE *FUKI BENRI-SHI*

Of the approximately 8300 Japanese patent attorneys, about 2370 are admitted to practice as *fuki benri-shi*. The *fuki benri-shi* is admitted to practice IP litigation and represent a party in specific IP litigation jointly with the attorney-at-law. The types of IP infringement litigation are limited to patent, utility model, design, trademark, mask work, and specific types of unfair competition prescribed in the Act on the Prevention of Unfair Competition.[2] "Jointly" is a keyword here, because, as a rule, *fuki benri-shi* cannot represent alone, but teamwork is in any case very important in patent infringement litigation. As an exception, however, the Court at its discretion may permit the qualified patent attorney to appear alone as a process attorney.[3]

The qualification of *fuki benri-shi* is limited to those patent attorneys who pass the examination to be granted the representative right in IP infringement litigation after an extensive judicial training.[4] They are registered by "adding a note" (Japanese: "*fuki*") to their registration in the Japanese patent attorneys' registry. The examination is not easy. It is preceded by an intensive judicial training of roughly six months. A prerequisite of the training is a thorough understanding of the Civil Code and the Code of Civil Procedure. Part of the training is devoted to case studies of IP infringement litigation focusing

2 Section 2 (5) and Section 6-2 of the Patent Attorneys Act; see Appendix.
3 Section 6-2 Patent Attorney Act; see Appendix.
4 Section 15-2 Patent Attorney Act; see Appendix.

on injunctions, damages recovery, declaratory judgments, provisional injunctions, etc. Legal ethics is a topic, and the drafting of complaints, responses to complaints and other briefs is practiced. The courses are taught by numerous attorneys-at-law specialized in IP litigation. The training is overseen by the Japan Patent Attorneys Association (JPAA) together with the Japan Federation of Bar Associations and is conducted under the control of the Japanese Patent Office. The final examination is conducted once a year. Although we Japanese patent attorneys never expected to have to undergo a further examination after passing the patent attorneys' exam, this examination is required by law in order to attain the further qualification of *fuki benri-shi*. The examination comprises questions on the Civil Code, the Code of Civil Procedure and drafting a complaint and a response brief in a hypothetical case. In the years 2003 to 2008, the passing rate was 55-69%.

A fuki benri-shi can work as a process representative only in a litigation case and only when appointed jointly with an attorney-at-law. A *fuki benri-shi* can receive a power of attorney from the client, while a *hosa-nin* must only be asked by the attorney-at-law to act as an assistant. This formal difference is considered to be very important since it symbolizes that a *fuki benri-shi* can now take on greater responsibility.

In my case, I was encouraged to undertake the *fuki benri-shi* training curriculum. Since I had often been involved in litigation cases as a *hosa-nin* assisting the attorney-at-law, at first I did not think it was necessary to have to take the exam. But my friends encouraged me and therefore I reluctantly took the course of study and the examination and was very happy to pass the exam on my first attempt. Later, I realized that it was very good for me to have received this additional qualification because I was able to obtain a power of attorney from my clients to appear in court. I did not have this power of attorney from my clients before, although it was I who introduced the case to the attorney-at-law. I have since come to feel how important it is that I share the responsibility with the attorney-at-law.

Originally the concept of *fuki benri-shi* was not easily accepted because the bar associations were strongly against yielding such process representative power to other professionals than attorneys-at-law. But now the relationship between the Patent Attorneys Association and the Bar Associations in Japan is very good, and without the cooperation of the Bar Associations the *fuki benri-shi* system could not have been established.

According to a survey from February 2010 as carried out by the Japan Patent Attorneys Association, the number of patent attorneys qualified as *fuki benri-shi* who have been engaged as *fuki benri-shi* or *hosa-nin* between 2005 and 2009 in patent infringement litigation is as follows:[5]

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5 NIHON BENRI-SHI KENSHŪJO, *Tokutei shingai soshō dairinin toshite no kan'yo jisseki chōsa* [Japan Patent Attorneys' Training Institute, Research on the practical involvement as representatives in specific infringement lawsuits] as of 4 March 2010. The questionnaire was sent to 2,266 *fuki benri-shi*, of which 1,068 responded. The survey was conducted between 4 and 26 February 2010.

Involvement of patent attorneys qualified as fuki benri-shi *in patent litigation cases between 2005 and 2009*		
as *fuki benri-shi*	26%	282 members
as *hosa-nin*	6%	64 members
not involved	68%	734 members

As comparative data, 416 (39%) of the responding *fuki benri-shi* had worked as *hosa-nin* assisting the attorney-at-law in infringement lawsuits before the *fuki benri-shi* system was introduced and 652 (61%) had not.

Concerning the number of cases in which patent attorneys were involved as *fuki benri-shi*, most of the 1058 members who responded to the survey were involved in only one, two or three cases, while only a limited number of the members worked in 10 or more cases. Details are as follows:

Number of cases in which patent attorneys were involved as fuki benri-shi *between 2005-2009*

Number of cases	*fuki benri-shi (in brackets: patent and utility model cases)*
1	107 (92)
2	72 (57)
3	35 (30)
4	13 (6)
5	9 (13)
6	16 (9)
7	8 (5)
8	4 (3)
9	7 (4)
10	4 (2)
11	1 (1)
12	1 (1)
22	1 (1)
28	1 (1)
32	1 (1)
40	1 (1)

IV. PRODUCTIVE TEAMWORK BETWEEN *BENRI-SHI* AND *BENGO-SHI*

The role of Japanese patent attorneys in the enforcement of IP rights is becoming increasingly more important in the recent pro-patent climate. Before 1998, patent attorneys were mainly involved in patent prosecution and patent maintenance. In contrast, in these pro-patent days, patent attorneys are becoming more substantially involved in litigation, and this experience is allowing patent attorneys to better draft patents.

In litigation, patent attorneys and attorneys-at-law form a close co-operative team to achieve productive results.

First of all, the patent attorney is expected to explain to the attorney-at-law the technical aspects of the patented invention together with its file history and the background technology. The patent attorney must then explain to the attorney-at-law the technical particulars of the attacked product or method and make sure the attorney-at-law has understood the explanation. A patent attorney is expected to convince the attorney-at-law that the features of the patent in suit are found in the attacked embodiment, if this is the case. Once the attorney-at-law is convinced, the attorney is likely to be able to convince the court that the patent is infringed.

Patent attorneys are actively involved in IP enforcement activities and provide legal services to clients before, during and after the IP infringement litigation. For example, patent attorneys sometimes first discuss the infringement and validity issues with clients to evaluate the patent in question. The filing of a lawsuit or invalidation trial or the initiation of negotiations may be decided on, or "design-arounds" may be discussed. When preparing for the filing of an action, patent attorneys may contact foreign associates to see what the situation of corresponding patents is in other countries, or they may conduct a prior art search in other countries. In order to obtain convincing facts and evidence of prior art or prior use, patent attorneys may sometimes contact technical experts or witnesses in foreign countries in addition to using the Internet. After the litigation, the results of the litigation are evaluated to draft better and more effective claims and to disclose new inventions more carefully in the future.

The patent attorney and attorney-at-law co-operate to assess whether there is a patent infringement in legal terms. a confirmation of infringement is made by determining if the alleged infringing products read on the claims. This process is carried out by determining whether the supposed infringing product reads on the patent claims, and takes into account the doctrine of equivalents and prosecution history estoppel. The attorney-at-law and the patent attorney will jointly send a warning letter to the potential infringer. If a reply is received, they will analyse and evaluate it to determine the next step, i.e. whether to go forward or to stop. If the patentee agrees to go further, an exchange of letters with the party using the patent will start, and negotiations regarding licensing will follow. If a license is favourable to both the patentee and the other party, they should conclude the negotiations by agreeing to a license. If the parties do not reach an agreement, the patentee has the option to file an action before an infringement court.

Patent attorneys and attorneys-at-law should work closely together to prepare the complaint. Sometimes it is important to retain technical experts. The patent attorney on the defendant's side should try to find technical experts. In order to use the technical experts more effectively, the patent attorney should work as a go-between between the technical experts and the attorney-at-law.

Good teamwork with close communication and mutual respect as professionals between the *benri-shi* and the *bengo-shi* will benefit the party and help it to gain a better position in the patent infringement litigation. This, in turn, contributes to a more favourable decision for the client. For all of these reasons, we in Japan are very happy that we can now work together as process representatives together with attorneys-at-law for a more effective and productive work, which will benefit our clients.