

## **Important Decrees of the Japanese Patent Law Relating to “Assignments”**

### **1. Outline of the Transfer of Patent Rights and/or Exclusive Licenses**

(1) The transfer (except for a transfer arising from a universal succession including inheritance) of a patent right, the transfer (except for a transfer arising from a universal succession including inheritance) of an exclusive license, the transfer (except for a transfer arising from a universal succession including inheritance) of a right of pledge of a patent right or an exclusive license must be registered to take effect. Then, matters of universal succession including inheritance under the preceding shall be notified to the Commissioner of the Patent Office without delay (Patent Law Art. 98(2)).

(2) An exclusive license may be transferred only where the business involving the working of the relevant invention is also transferred, where the consent of the patentee is obtained or where the transfer occurs as a result of a universal succession including inheritance (Patent Law Art. 77(3)).

(3) The transfer of a patent right, the transfer of an exclusive license, and the transfer of a right of pledge on a patent right or an exclusive license shall be registered in the patent registry in the Patent Office (Patent Law Art. 27(1)).

## 2. Outline of the Transfer of Non-Exclusive Licenses

(1) A regular non-exclusive license may be transferred only where the business involving the working of the relevant invention is also transferred, where the consent of the patentee (or, in the case of a non-exclusive license on the exclusive license, the patentee and the exclusive licensee), is obtained and where the transfer occurs as a result of a universal succession including inheritance (Patent Law Art. 94(1)).

## 3. Transfer of the Right to Obtain Patents

The right to obtain a patent may be transferred (Patent Law Art. 33(1)).

## 4. Outline of the Transfer of the Jointly Owned Patents

(1) Where the right to obtain a patent is jointly owned, no joint owner may assign his respective share without the consent of all the other joint owners (Patent Law Art. 33(3)).

(2) Where a patent right is jointly owned, no joint owner may assign his respective share or a right of pledge on the said joint owner's

own share without the consent of all the other joint owners (Patent Law Art. 73(1)).

Comparison on Jointly Owned Patent in Each Country

	Japan	US	Germany	GB	France
Working	Unless otherwise agreed upon by contract, each of the joint owners of the patent right may work the patented invention without the consent of the other joint owner				
Assignment of the joint owner's own share	OK only with the consent of all the other joint owners.	OK without the consent of all the other joint owners	OK only with the consent of all the other joint owners.	OK only with the consent of all the other joint owners.	OK without the consent of all the other joint owners. The other joint owners have the priority right to buy the share.
Licensing to any third party		Non-exclusive license: OK without the consent of all the other joint owners. Exclusive license: OK, only with the consent of all the other joint owners.	OK, only with the consent of all the other joint owners.	Non-exclusive license: OK without the consent of all the other joint owners under a specific condition. Exclusive license: OK, only with the consent of all the other joint owners.	

The data/information above were derived from the JPO's report titled "The Report on the recognition of the joint inventors and the place of inventions regarding to the international joint researches" published in 2007.

5. Grant-Back or Assign-Back Provisions

Exclusive assign-back provisions must breach the Antitrust Law.

## 6. Assignment of Employees' Inventions to Employer (Patent Law Art.35)

When a Japanese researcher invents something in Japan, he/she is entitled to have the right to receive the reasonable remuneration when he/she assigns the inventions to the employer according to Patent Law Art.35 below

(1) An employer, a juridical person or a national or local government (hereinafter referred to as "employer, etc."), where an employee, an officer of the juridical person, or a national or local government employee (hereinafter referred to as "employee, etc.") has obtained a patent for an invention which, by the nature of the said invention, falls within the scope of the business of the said employer, etc. and was achieved by an act(s) categorized as a present or past duty of the said employee, etc. performed for the employer, etc. (hereinafter referred to as "employee invention") or where a successor to the right to obtain a patent for the employee invention has obtained a patent therefor, shall have a non-exclusive license on the said patent right.

(2) In the case of an invention by an employee, etc., any provision in any agreement, employment regulation or any other stipulation providing in advance that the right to obtain a patent or that the patent rights for any invention made by an employee, etc. shall vest in the employer, etc., or that an exclusive license for the said invention shall be granted to the employer, etc., shall be null and void unless the said invention is an employee invention.

(3) Where the employee, etc., in accordance with any agreement, employment regulation or any other stipulation, vests the right to obtain a patent or the patent right for an employee invention in the employer, etc., or grants an exclusive license therefor to the employer, etc., the said employee, etc. shall have the right to receive reasonable value.

(4) Where an agreement, employment regulation or any other stipulation provides for the value provided in the preceding paragraph, the payment of value in accordance with the said provision(s) shall not be considered unreasonable in light of circumstances where a negotiation between the employer, etc. and the employee, etc. had taken place in order to set standards for the determination of the said value, the set standards had been disclosed, the opinions of the employee, etc. on the calculation of the amount of the value had been received and any other relevant circumstances.

(5) Where no provision setting forth the value as provided in the preceding paragraph exists, or where it is recognized under the preceding paragraph that the amount of the value to be paid in accordance with the relevant provision(s) is unreasonable, the amount of the value under paragraph (3) shall be determined by taking into consideration the amount of profit to be received by the employer, etc. from the invention, the employer, etc.'s burden, contribution, and treatment of the employee, etc. and any other circumstances relating to the invention.