

HARVARD IP CONFERENCE PROBLEM

Principles of Japanese Patent Law

General

In Japan, the Tokyo and Osaka District Courts have exclusive jurisdiction over patent infringement disputes as a first instance. Japan does not employ a jury system in this matter. As the second instance, the IP High Court is the only court that hears an appeal. Such a concentrated system enables judges with expertise in IP litigation to handle these cases in a speedy manner with high quality. The IP High Court not only handles appeals of those patent infringement cases, but also hears suits against appeal/trial decisions on patent validity made by the Japan Patent Office as the first instance. By doing so, it enables the IP High Court to hear a specific patent dispute uniformly even if parties dispute the same case in two routes: one in the District Court and the other at the JPO. In addition, an infringement court may determine not only whether a defendant infringes a plaintiff's patent, but whether the patent is invalid.

Claim Construction

Under Japanese patent law, a patent claim is construed (to define a technical scope of a patent) based on the claims, namely, according to the understanding of a person ordinarily skilled in the art at the time of the priority date. The terms of the claim are the primary source of claim construction, but the description and the drawings may be used for reference as well as the prosecution history. The prosecution history is often used for reference, when an applicant made a statement about how he/she understood the claimed invention. The technical scope of a patent is not limited to the literal construction, but also extends to the equivalents.

Infringement

In the case of a product invention, a patentee must prove that the accused infringer made, used, sold, offered for sale, or imported a product that falls within the technical scope of the patent. In the case of a process invention, a patentee must prove that the accused infringer used a method that falls within the technical scope of the patent. There is no discovery in Japanese infringement proceeding, so the patent owner must have positive knowledge of the basic facts supporting the claim before initiating the lawsuit.

Validity/Obviousness

A court hearing an infringement proceeding is authorized to determine whether a patent at issue is valid or invalid, when a defendant submits a defense claiming the patent is invalid.

The court may determine not only inventive steps (non-obviousness) but also patent eligibility.

The inventive steps inquiry is determined in a following way: first, the court compares the plaintiff's patented invention with prior art A that is closest to the patented invention at issue to find similarities and differences between the two; then, the court determines, by combining prior art A and other prior art B, whether it would have been easy for a person ordinarily skilled in the art to overcome the differences to reach the plaintiff's patented invention. In a single patent infringement litigation, a defendant tends to submit a number of invalidity defenses, so the validity/inventive steps determination puts a heavier burden on an infringement court than does claim construction.

Patentability/Methods of Treatment

According to the JPO Patent Examination Guidelines, a medical method invention is deemed not patentable, when it is predicated on a physician's act. However, opinions split on such JPO practice. In addition, there is no Supreme Court case that determines the patentability of a medical method invention.

Injunctions

If it determines that the patent is infringed, a court may award injunctive relief and damages (provided that the patent owner has proven damages). Since injunctive relief is a right provided under statutory law, a court is not permitted to determine whether to award injunctive relief or not by its discretion.

There would be one exception though. Not under the Patent Act, but under the Civil Code, there is a provision reading "No abuse of rights is permitted" (Civil Code Article 1(3)). If there is any circumstance applicable, an injunction claim may be dismissed.

However, it would be extremely limited that an injunction claim is dismissed as "abuse of rights," under the circumstances where a defendant's product infringes a plaintiff's patent. Thus, the plaintiff generally has a right to an injunction.