

Date	June 29, 2009	Court	Intellectual Property High Court, Third Division
Case number	2008 (Gyo-Ke) 10427		

A case in which the court rescinded the JPO trial decision:

- Holding that, in the trial for patent invalidation requested by reason of usurpation in filing a patent application (Article 123, paragraph (1), item (vi)), the burden of allegation and proof of the fact that the "patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent" should be construed to be borne by the patentee; and accordingly, finding errors in the JPO decision with regard to which party should bear the burden of allegation and proof of the fact of usurpation and whether or not the patent application in question had been filed through usurpation.
- Holding that the trial for patent invalidation requested by reason of usurpation in filing a patent application, in light of the developments in the trial procedure as well as the content and nature of the specific points at issue, should have been conducted by oral proceeding, but nevertheless, the trial board (the chief trial examiner) decided ex officio to change the type of proceedings from oral proceedings to documentary proceedings, and in this respect, the trial proceedings were considerably unfair and said change of the type of proceedings went beyond the bounds of reasonable discretion of the trial board; and ruling that such procedural defect constitutes an error that affects the conclusion of the JPO decision.

References:

Article 123, paragraph (1), item (vi) of the Patent Act

Summary of the Judgment

1. In response to the request for a trial for patent invalidation made by reason of usurpation in filing the patent application (Article 123, paragraph (1), item (vi)), the Japan Patent Office (JPO) made a decision to dismiss the request, holding that the plaintiff, who is the demandant of a trial for invalidation, should bear the burden of allegation and proof of the fact of usurpation, and on the premise of this holding, concluding that the evidence produced and the grounds for invalidation alleged by the plaintiff are insufficient to make a finding that the Patent had been granted based on the patent application filed through usurpation. The court, however, rescinded this decision, on the grounds that it contains violation of law that affects the conclusion, and found as follows.

The court held that, in the trial for patent invalidation requested by reason of usurpation in filing the patent application (Article 123, paragraph (1), item (vi)), the burden of allegation and proof of the fact that the "patent application was filed by the

inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent" should be construed to be borne by the patentee, and accordingly, the court found errors in the JPO decision with regard to which party should bear the burden of allegation and proof of the fact of usurpation and whether or not the patent application in question had been filed through usurpation. The court also held that in light of the developments in the trial procedure as well as the content and nature of the specific points at issue, the trial should have been conducted by oral proceedings, but nevertheless, the trial board (the chief trial examiner) decided ex officio to change the type of proceedings from oral proceedings to documentary proceedings, and in this respect, the trial proceedings were considerably unfair and said change of the type of proceedings went beyond the bounds of reasonable discretion of the trial board. Consequently, the court ruled that such procedural defect constitutes an error that affects the conclusion of the JPO decision.

2. The court's holdings concerning the party that is to bear the burden of allegation and proof of the fact of usurpation and the extent of such allegation and proof

"The Patent Act provides that: 'An inventor of an invention... may be entitled to obtain a patent for said invention...' (Article 29, paragraph (1)); 'The right to obtain a patent may be transferred' (Article 33, paragraph (1)); and 'The succession of the right to obtain a patent prior to the filing of the patent application shall have no effect on any third party unless the successor in title files the patent application' (Article 34, paragraph (1)). As it is clear from these provisions, the Patent Act limits the scope of the person entitled to obtain a patent right to the inventor and his/her successor. Under the patent system that adopts such principle of the inventor's entitlement to patent, in the phase of filing a patent application, the applicant should bear the burden him/herself to allege and prove that he/she satisfies this requirement. This rule is also evident from the relevant legal provisions: the 'name and domicile or residence of the inventor(s)' are set forth in Article 36, paragraph (1), item (ii) as the matters to be stated in an application; Article 5, paragraph (2) of the Ordinance for Enforcement of the Patent Act requires the applicant to submit, at the request of the JPO, a written assignment or any other document proving the succession to the inventor's entitlement. Article 123, paragraph (1) lists up the cases where a trial for patent invalidation may be requested, among which item (vi) stipulates 'where the patent has been granted on a patent application filed by a person who is not the inventor and has not succeeded to the right to obtain a patent for said invention' (application filed through usurpation). Focusing only on its form, it is not impossible to read said stipulation as meaning that

the demandant of a trial for invalidation should bear the burden of allegation and proof of the fact that "the patent has been granted... to a person who is not the inventor." However, such a manner of composing the stipulation is only derived from the reasons in terms of legislative technique of said Article, and it is inappropriate to construe that the principle of the inventor's entitlement to patent as set forth in Article 29, paragraph (1), etc. has been modified. Consequently, it should be construed that in the trial for patent invalidation requested by reason of usurpation in filing the patent application (Article 123, paragraph (1), item (vi)), the burden of allegation and proof of the fact that the 'patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent' should be borne by the patentee.

Even when it is construed that in the trial for patent invalidation requested by reason of usurpation in filing the patent application (Article 123, paragraph (1), item (vi)), the patentee should bear the burden of allegation and proof of the fact that the 'patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent,' such construction does not mean that the patentee should allege and prove the circumstances concerning the invention such as how the invention was made, individually and specifically, in any case (rather, the fact that the applicant is the first person who filed the application is an important indirect fact to presume the fact that said applicant is the inventor or the person who has succeeded to the inventor's right to obtain a patent).

The content and extent of the allegation and proof that the patentee should make largely depend on the details of the specific circumstances which raise the suspicion of usurpation, as well as the content and extent of the efforts of the demandant of the trial for invalidation in making his/her allegation and proof. If the demandant of the trial for invalidation fails to indicate any specific circumstances which raise the suspicion of usurpation, and also fails to produce any supportive evidence, it is sufficient for the patentee to make a relatively simple allegation and proof. On the other hand, if the demandant of the trial for invalidation indicates circumstances which raise the suspicion of usurpation specifically and in detail, and produces supportive evidence, the patentee will not be judged to have made an allegation and proof sufficiently unless his/her allegation and proof surpass the demandant's. The details of the specific circumstances which raise the suspicion of usurpation may differ depending on the circumstances of each case as to: whether or not the invention belongs to a field of advanced technology; whether or not the invention requires any specialized skills, knowledge or experience; whether or not demonstration of examples of working the

invention requires large-scale facilities or a long period of time; to what extent the person claimed as the inventor is well-versed in the technical field of the invention; and where two or more persons claim themselves to be the inventors, what their actual situation or mutual relationships were."

3. The court's holdings concerning the errors in the JPO decision with regard to which party should bear the burden of allegation and proof of the fact of usurpation and whether or not the patent application in question had been filed through usurpation

"As mentioned in (1) above, in the trial for patent invalidation requested by reason of usurpation in filing the patent application (Article 123, paragraph (1), item (vi)), the applicant or the patentee who succeeds thereto should allege and prove the fact that the 'patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent.' Therefore, in the trial requested by the plaintiff, it is the defendant, who is the applicant and the patentee, that should allege and prove the fact that the patent application was filed by the defendant, who is the inventor. In light of the content of the patented invention and the developments of the case, as well as the plaintiff's allegation made during the trial procedure (the 'indirect facts suggesting that the defendant is not the true inventor,' alleged by the plaintiff in the litigation, contain facts that have been revealed after the JPO decision was made, and they are not entirely identical to the facts alleged by the plaintiff in the trial procedure) and the evidence produced by the plaintiff, it is found that the plaintiff specifically alleged circumstances which raise the suspicion of usurpation and produced evidence in conformity with that allegation.

On the other hand, as mentioned in (2) above, the defendant submitted nothing more than the 'written answer on the trial case' and the "written statement," and did not make any specific allegation or proof of the fact that the 'patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent.'

The JPO concluded that the evidence produced and the grounds for invalidation alleged by the plaintiff, the demandant of the trial for invalidation, are insufficient to make a finding that the Patent had been granted based on the patent application filed through usurpation. However, comprehensively examining the developments of the trial procedure and the content of evidence, we find errors in the JPO decision with regard to which party should bear the burden of allegation and proof of the fact of usurpation and whether or not the patent application in question had been filed through usurpation."

4. The court's holdings concerning the procedural error in the JPO decision in that the trial board decided ex officio to change the type of proceedings from oral proceedings to documentary proceedings

"Article 178, paragraph (1) stipulates that 'The Tokyo High Court shall have exclusive jurisdiction over any action against a trial decision...' Basically, as a trial decision is a type of administrative disposition, any action against it is supposed to be under the jurisdiction of the relevant district court pursuant to the Administrative Case Litigation Act. However, the Patent Act requires such action to be filed with the Tokyo High Court, skipping the first instance, for the following two reasons. (i) As the trial procedure before the JPO ought to be strictly conducted by way of quasi-judicial proceedings similar to court proceedings, priority should be given to the requirement of speedy settlement of the case over the requirement of due process to be realized by having the district court examine the appropriateness of the JPO decision. (ii) Because of the specialized and technical nature of the subject matter of the case, it is reasonable to respect the trial procedure conducted by the government agency specialized in patent-related issues. For these and other reasons, it is provided that a trial for patent invalidation shall, in principle, be conducted by oral proceedings (Article 145, paragraph (1)).

As mentioned in (2) above, the trial procedure took the following course. (i) The plaintiff alleged the specific circumstances which raised the suspicion of usurpation. (ii) The defendant submitted nothing more than the 'written answer on the trial case' and the "written statement," and did not make any specific allegation or proof of the fact that the 'patent application was filed by the inventor of the patented invention him/herself or a person who has succeeded to the inventor's right to obtain a patent.' (iii) The trial examiners decided to change the type of proceedings to documentary proceedings. (iv) The plaintiff requested that the trial examiners open oral proceedings and conduct examination of the parties and witnesses under the principle of burden of allegation and proof, thereby pursuing the truth as to whether or not the patent application was filed through usurpation. (v) However, the trial board (the chief trial examiner) concluded the proceedings and made the decision.

In light of such developments of the trial procedure, as well as the content and nature of the specific points at issue, the trial should have been conducted by oral proceedings. Nevertheless, the trial board decided ex officio to change the type of proceedings for the trial for invalidation requested by reason of usurpation, from oral proceedings to documentary proceedings, which should be judged to be extremely unfair. Although

the trial board (the chief trial examiner) has reasonable discretion in carrying out the trial procedure and choosing the type of proceedings, such decision of the trial board has gone beyond the bounds of its discretion. Hence, such procedural defect can be regarded as an error that affects the conclusion."

Judgment rendered on June 29, 2009

2008 (Gyo-Ke) 10427 Case of Seeking Rescission of a JPO Decision

Date of conclusion of oral argument: April 15, 2009

Judgment

Plaintiff: Tokyo Electron Limited

Defendant: Y

Main Text

1. A JPO decision rendered regarding Invalidation Trial No. 2008-800004 on October 14, 2008 shall be rescinded.
2. The defendant shall bear the court costs.

Facts and reasons

No. 1 Claims

The same as the main text.

No. 2 Undisputed facts

1. Developments in procedures at the JPO

(1) The defendant is a person who has been registered as the patentee of Patent No. 3611568 (title of the invention: substrate processing device and method therefor, and method for manufacturing substrate; the number of claims at the time of registration of establishment of the patent is 20; hereinafter referred to as the "Patent," and the relevant patented invention is referred to as the "Patented Invention"; Exhibit Ko 1).

The patent application (Patent Application No. 2003-413773; hereinafter referred to as the "Patent Application") for the Patent was filed on December 11, 2003 as a new patent application by dividing part of a patent application (Patent Application No. 2001-170284; hereinafter referred to as the "Original Application," and the description thereof is referred to as the "Description of the Original Application"; Publication of Unexamined Patent Application No. 2002-329661; Exhibits Ko 2 and 23), which was filed on April 27, 2001 while designating the defendant as the applicant and the inventor.

The Patent Application was amended on March 23, 2004 and on August 23 of the same year, and establishment of the Patent was registered on October 29 of the same year.

(omitted)

(3) On January 15, 2008, the plaintiff filed a request for a trial for patent invalidation (Invalidation Trial No. 2008-800004) on the grounds that the Patent was granted on a patent application filed by a person who is not the inventor and has not succeeded to the right to obtain

a patent for the invention (hereinafter an application that falls under said requirements is referred to as an "Usurped Application" in some cases) and falls under Article 123, paragraph (1), item (vi) of the Patent Act (hereinafter cited provisions of law are those of the Patent Act) (Exhibit Ko 37; the written request for a trial is dated January 11, 2008).

On October 14, 2008, the JPO rendered a decision to the effect that "the request for a trial in question is to be dismissed," and a certified copy of the JPO decision was served to the plaintiff on the 24th of the same month.

2. Reasons given in the JPO decision

The reasons given in the JPO decision are ... In short, on the premise of the determination that the plaintiff, who is the demandant of a trial for patent invalidation, bears the burden of alleging and proving that the Patent Application is a Usurped Application, the JPO ruled that the Patent cannot be considered to have been granted on a Usurped Application based on the pieces of evidence submitted by the plaintiff, who is the demandant of a trial for patent invalidation, and the grounds for invalidation alleged by the plaintiff.

No. 3 Plaintiff's allegations pertaining to the grounds for rescission

As mentioned below, the JPO decision contains an error in its determination concerning the burden of alleging and proving a Usurped Application (Ground for Rescission 1), a procedural error that affects its conclusion (Ground for Rescission 2), and an error in its determination that the Patent cannot be considered to have been granted on a Usurped Application (Ground for Rescission 3). Therefore, the JPO decision should be rescinded as an illegal one.

(omitted)

No. 5 Court decision

1. Regarding an error in the determination concerning the burden of alleging and proving a Usurped Application (Ground for Rescission 1), a procedural error that affects the conclusion of the JPO decision (Ground for Rescission 2), and an error in the determination that the Patent cannot be considered to have been granted on a Usurped Application (Ground for Rescission 3)

The JPO ruled that the demandant of a trial for patent invalidation (the plaintiff) cannot be considered to have done its best to allege and prove that the Patent Application is a Usurped Application, and determined that the request for a trial for patent invalidation is to be dismissed. However, this court determines that the JPO decision should be rescinded for the following reasons: [i] the JPO decision contains an error in its determination concerning the locus of the burden of allegation and proof of a Usurped Application (see Ground for Rescission 1) and [ii] said error in the determination concerning the locus of the burden of allegation and proof can be considered to be an error in the proceedings in question and an error that affects the conclusion

of the JPO decision (see Grounds for Rescission 2 and 3).

The reasons therefor are as follows.

(1) Regarding the burden of alleging and proving facts pertaining to a Usurped Application or the degree of such allegation and proof

Article 29, paragraph (1) of the Patent Act provides that "An inventor of an invention ... may be entitled to obtain a patent." Article 33, paragraph (1) of said Act provides that "The right to obtain a patent may be transferred," and Article 34, paragraph (1) thereof provides that "The succession of the right to obtain a patent prior to the filing of the patent application shall have no effect on any third party unless the successor in title files the patent application." It is obvious from these provisions that the Patent Act limits a person who is entitled to obtain a patent right to an inventor of an invention and his/her successor. Under a patent system that adopts such "inventor principle," an applicant bears the burden of alleging and proving the fulfillment of this requirement him/herself when filing a patent application. This is also confirmed by the fact that Article 36, paragraph (1), item (ii) cites the "name and domicile or residence of the inventor(s)" as the matters to be stated in an application and the fact that Article 5, paragraph (2) of the Ordinance for Enforcement of the Patent Act provides that an applicant shall submit a document to prove the succession of the right to obtain a patent, such as a certificate of assignment, upon request of the JPO.

Article 123, paragraph (1) enumerates the cases where a request for a trial for patent invalidation may be filed, and item (vi) of said paragraph provides that "where the patent has been granted on a patent application filed by a person who is not the inventor and has not succeeded to the right to obtain a patent for the said invention" (Usurped Application). Formally looking at said provisions, it is not the case that there is no room for the interpretation that the demandant of a trial for patent invalidation bears the burden of alleging and proving the fact that "the patent has been granted on ... a person who is not the inventor" However, such wording of the provisions absolutely derives from the legislative technical reason of said Article, and it is not reasonable to understand based on said provisions that the inventor principle prescribed in Article 29, paragraph (1), etc. has been changed. Therefore, it should be interpreted that the patentee bears the burden of alleging and proving that "the patent application was filed either by the inventor of the invention pertaining to the patent him/herself or a person who has succeeded to the right to obtain a patent from the inventor" in a trial for patent invalidation which was filed on the grounds of a Usurped Application (Article 123, paragraph (1), item (vi)).

However, even if it is interpreted that a patentee bears the burden of alleging and proving that "the patent application was filed either by the inventor of the invention pertaining to the patent him/herself or a person who has succeeded to the right to obtain a patent from the inventor" in a trial for patent invalidation which was filed on the grounds of a Usurped

Application (Article 123, paragraph (1), item (vi)), such interpretation does not mean that the patentee must specifically allege and prove the background to the invention, etc. on an individual basis in all cases (rather, the fact of having filed an application earlier is an important indirect fact based on which it is presumptively recognized that the applicant is the inventor or a person who has succeeded to the right to obtain a patent from the inventor).

The content and degree of allegation and proof which the patentee should make are significantly affected by the content of a specific circumstance that suggests that the application is a Usurped Application and the content and degree of the actions for allegation and proof taken by the demandant of a trial for patent invalidation. Where the demandant of a trial for patent invalidation has neither pointed out any specific circumstance that suggests that the application is a Usurped Application nor has submitted any confirming evidence thereof, it is sufficient for the patentee to make relatively simple allegation and proof. On the other hand, where the demandant of a trial for patent invalidation points out the specific details of a circumstance that confirms usurpation and submits the confirming evidence thereof, the patentee will never be determined to have fulfilled his/her burden of allegation and proof unless he/she makes allegation and proof that surpass said evidence. The content of a specific circumstance that suggests a usurpation is considered to differ depending on the individual circumstances of each case, including whether or not the technical field to which the invention pertains is an advanced technical field, whether or not the invention is premised on having specialized technology, knowledge, and experience, whether or not the invention has the nature of requiring large-scale facilities and a long period of time for the verification, etc. of working examples, the degree of knowledge a person who is deemed to be the inventor has in relation to the technical field to which the invention pertains, and what specific actual conditions and mutual relationship exist among persons who allege that they are the inventors in the cases where there are multiple such persons.

(2) Proceedings of the trial in question

The development of the proceedings in the trial in question (the "Trial") is considered from the aforementioned perspectives. The course of the Trial is as follows.

A. On January 15, 2008, the plaintiff submitted to the JPO a written request for a trial (dated January 11, 2008; Exhibit Ko 37). In the written request, the plaintiff alleged as follows: The defendant, who is stated as the inventor and the patent applicant in the written application of the Original Application, is neither the inventor of the invention disclosed in the Original Application nor that of the Patented Invention, and the Original Application and the Patented Application are Usurped Applications; therefore, there is a ground for invalidation (Article 123, paragraph (1), item (vi) of the Patent Act) for the Patent. Based on this allegation, the plaintiff filed a request for a trial for patent invalidation in relation to the Patent.

In the written request for a trial, the aforementioned allegation was stated in an amplificatory manner, and the following matters were stated with the indication of specific evidence: [i] A significant amount of costs of development, large-scale development facilities, and knowledge, experience, and inventive ability in the relevant technical field are required for making the invention disclosed in the Original Application and the Patented Invention; [ii] Despite that, according to the plaintiff's investigation, the defendant is not considered to have had the knowledge, experience, and inventive ability that are necessary to make an invention in consideration of his/her work experience, etc., and he/she was also not in a technical environment that would enable him/her to make an invention and was not in the circumstance where he/she could make an invention in view of his/her living conditions at the time; [iii] Although the Description of the Original Application and the description of the Patent Application have much in common with and have many similarities to the descriptions pertaining to the applications filed by the plaintiff, specifically, Patent Application No. 2000-343401 (Publication of Unexamined Patent Application No. 2002-151384; Exhibit Ko 4), Patent Application No. 2002-57303 (Publication of Unexamined Patent Application No. 2002-334918; Exhibit Ko 5), Patent Application No. 2001-89847 (Publication of Unexamined Patent Application No. 2002-289501; Exhibit Ko 6), Patent Application No. 2001-116311 (Publication of Unexamined Patent Application No. 2002-313699; Exhibit Ko 7), and Patent Application No. 2001-125750 (Publication of Unexamined Patent Application No. 2002-324740; Exhibit Ko 8), the patents granted on these patent applications filed by the plaintiff were published after the filing of the Original Application, and the defendant, who has no relationship with the plaintiff, is not considered to have been able to know the content of the invention of the Original Application before the filing of the Original Application; in that case, it is considered that the Original Application and the Patent Application were filed by the defendant because a third party who was in a position to learn of the plaintiff's invention had a reason to keep his/her own name secret, and there is no other way of explaining the reason for the occurrence of the aforementioned common points and similarities.

The plaintiff submitted to the JPO documentary evidence, Exhibits Ko 1 to 14, with the written request for a trial (Exhibits Ko 1 to 14 in this action are the same as those in the Trial). B. On April 7, 2008, the defendant submitted to the trial examiner a written answer for a trial case (Exhibit Ko 35) while designating Patent Attorney P as his/her representative, and thereby sought a JPO decision dismissing the request for a trial. The written answer for a trial case consists merely of two pages, and it states the following as the reason thereof, in addition to Trial No., the domicile and name of the demandee, the domicile and name, etc. of the representative of the demandee, the domicile and name of the demandant, the domicile and name, etc. of the representative of the demandant, the import of the answer, and list of attached

documents or attached materials.

"The demandant of a trial conducted an investigation of the personal affairs of Y, who is the patentee, and alleges, based on the results of the investigation, that the Patent was granted on a patent application filed by a person who is not the inventor and has not succeeded to the right to obtain a patent for the invention.

However, the report of the investigation of personal affairs cited by the demandant of a trial is a mere disclosure of the personal information of Y that includes mistakes or errors, and it does not prove that Y is a person who is not the inventor and has not succeeded to the right to obtain a patent for the invention. That is, the demandant of a trial just suspects based on the investigation of the personal affairs of Y that Y is not the inventor of the Patent without any reason. Moreover, the demandant of a trial says that he/she is not the inventor, and has not made clear who the true inventor is, which is important in interpreting Article 39, paragraph (6) of the Patent Act.

Therefore, the demandant's allegation has no leg to stand on, and it is an inappropriate one that has no grounds.

For this reason, I would request that the JPO immediately render a decision dismissing the request for a trial in question through documentary proceedings without moving on to oral proceedings."

C. In the next place, on April 10, 2008, the defendant submitted to the trial examiner a written petition (Exhibit Ko 38) while designating Patent Attorney P as his/her representative. Said written petition also consists merely of two pages, and it states the following as the content of the petition, in addition to the indication of the case, the domicile and name of the demandant, the domicile and name of the demandee, the domicile and name, etc. of the representative of the demandee, and list of attached documents or attached materials.

"(1) Regarding the trial case, I submitted a written answer for a trial case dated April 7, 2008.

As I alleged in this written answer, I would request that the JPO does not conduct oral proceedings and examination of a witness associated therewith in this case for the following reason.

(2) Reason

The demandant investigated the personal information of Y, who is the right holder, by using a private inquiry agency, and attached the investigation report to the written request for a trial as evidence in the procedures of a trial for patent invalidation, which are available for public inspection. Such material unjustly discloses personal information, and Y, as an individual, is extremely unhappy that such situation occurred. He/she has a great fear of more personal information being unjustly disclosed. For this reason, Y, who is the right holder, does not want

to testify regarding his/her personal information, including his/her asset situation and past work experience, in front of third parties in oral proceedings and examination of a witness associated therewith."

D. On May 29, 2008, the plaintiff submitted the first written petition (Exhibit Ko 39) and thereby requested that the trial examiner hold oral proceedings, conduct examination of the parties, including the defendant, and examination of a witness in accordance with the principle of the burden of allegation and proof, and do his/her best to determine the truth concerning the point that the Patent Application is a Usurped Application.

E. On July 2, 2008, the plaintiff submitted the second written petition (Exhibit Ko 40), and thereby pointed out to the trial examiner that the defendant's domicile stated in the comprehensive power of attorney differs from that stated in his/her residence certificate. Thereby, the plaintiff requested that the trial examiner order Patent Attorney P to submit a document proving his/her right to represent.

F. A notice of the names of the trial examiner and trial clerk (Exhibit Ko 41) dated August 19, 2008 was sent to the representatives of the parties to the Trial.

G. On August 27, 2008, the plaintiff submitted to the trial examiner a written motion for procedure of proceedings (Exhibit Ko 30), and thereby requested that the Trial should be conducted by oral proceedings.

H. On August 29, 2008, the plaintiff submitted to the trial examiner a motion for examination of the parties, etc. (Exhibit Ko 32), and thereby requested that the trial examiner conduct examination of a witness concerning Patent Attorney P and examination of the parties on the defendant.

I. The trial examiner sent to the representatives of the parties to the Trial a written notice of documentary proceedings dated August 29, 2008 (Exhibit Ko 31) to the effect that the Trial would be conducted by documentary proceedings ex officio.

J. The trial examiner sent to the representatives of the parties to the Trial a written notice of conclusion of the proceedings dated August 29, 2008 (Exhibit Ko 42).

K. The trial examiner sent to the representative of the plaintiff, who was the demandant of a trial, a copy of the written answer for a trial case dated April 7, 2008 and a copy of the defendant's written petition dated the 10th of the same month together with a notice of sending of a copy of a written answer dated September 8 of the same year (Exhibit Ko 43).

L. On September 18, 2008, the plaintiff submitted to the trial examiner a written motion for the resumption of the proceedings (Exhibit Ko 33), and thereby requested the resumption of the proceedings.

M. On September 24, 2008, the plaintiff submitted to the trial examiner a written motion for examination of a witness (Exhibit Ko 34), and thereby requested examination of a witness on Q

(employee of Tokyo Electron Kyushu), who is alleged by the plaintiff as the inventor of the invention disclosed in the Original Application and the Patented Invention.

N. On October 14, 2008, the trial examiner rendered a JPO decision to the effect that "the request for a trial in question is to be dismissed."

(3) Determinations

A. Determinations relating to Grounds for Rescission 1 and 3

As mentioned in (1) above, it should be said that, in a trial for patent invalidation for which a request was filed on the grounds of a Usurped Application (Article 123, paragraph (1), item (vi)), the applicant or the patentee, who is the successor thereof, is required to allege and prove that "the patent application was filed either by the inventor of the invention pertaining to the patent him/herself or a person who has succeeded to the right to obtain a patent from the inventor." Therefore, in the Trial, the defendant, who is the applicant and the patentee, is required to allege and prove that the Patent Application was filed by the defendant, who is the inventor. Then, the plaintiff is recognized as having specifically alleged a circumstance that suggests usurpation and having submitted evidence that complies with its allegation, in light of the content of the Patented Invention and the background to the case and in consideration of the plaintiff's allegation in the Trial ("indirect facts that indicate that the defendant is not the true inventor" as alleged by the plaintiff in this action include a fact that has become clear after the JPO decision was rendered, and they do not necessarily match the plaintiff's allegation in the Trial in all parts) and evidence submitted by the plaintiff.

However, as mentioned in (2) above, the defendant only submitted the "written answer for a trial case" and the "written petition," and did not take any specific action to allege and prove that "the patent application was filed either by the inventor of the invention pertaining to the patent him/herself or a person who has succeeded to the right to obtain a patent from the inventor."

The JPO determined that the Patent cannot be considered to have been granted on a Usurped Application based on the pieces of evidence submitted by the plaintiff, who is the demandant of a trial for patent invalidation, and the grounds for invalidation alleged by the plaintiff. However, comprehensively taking into account the aforementioned development of the proceedings and the content of evidence, the JPO decision contains an error in its determination concerning the locus of the burden of alleging and proving the fact pertaining to a Usurped Application and an error in its determination concerning whether the Patent Application is a Usurped Application.

B. Determinations relating to Grounds for Rescission 2 and 3

Article 178, paragraph (1) provides that "The Tokyo High Court shall have exclusive jurisdiction over any action against a trial decision" According to the Administrative Case Litigation Act, the district court originally has jurisdiction over an action against a JPO decision

as a JPO decision is one type of administrative disposition. However, for the following two reasons, it was provided that the first instance shall be omitted and such an action shall be instituted with the Tokyo High Court: [i] as the trial procedures at the JPO should be strictly conducted through quasi-judicial procedures that are similar to court proceedings, a priority should be put on a request for prompt settlement of a case rather than a request for ensuring of appropriateness by the district court's determining the propriety of the trial procedures at the JPO; [ii] as the content of a case is specialized and technical, it is appropriate to show respect for trial procedures that were conducted at a government agency specialized in patents. Together with these reasons, the Patent Act also provides that a trial for patent invalidation shall be in principle conducted by oral proceedings (Article 145, paragraph (1)).

As mentioned in (2) above, in the trial procedures in question, the following can be found. [i] The plaintiff specifically alleged a circumstance that suggests usurpation. [ii] The defendant only submitted the "written answer for a trial case" and the "written petition," and did not take any specific action to allege and prove that "the patent application was filed either by the inventor of the invention pertaining to the patent him/herself or a person who has succeeded to the right to obtain a patent from the inventor." [iii] The trial examiner changed the procedure of proceedings to documentary proceedings. [iv] The plaintiff requested that the trial examiner hold oral proceedings, conduct examination of the parties, including the defendant, and examination of a witness in accordance with the principle of the burden of allegation and proof, and do his/her best to determine the truth concerning the point that the Patent Application is a Usurped Application. [v] However, the panel concluded the proceedings and rendered the JPO decision in question.

The trial procedures in question developed as mentioned above, and should be conducted by oral proceedings in light of the content and nature of the specific issues thereof. Despite that, proceedings of a trial for patent invalidation on the grounds of a Usurped Application were changed from oral proceedings to documentary proceedings *ex officio*. In that point, the trial procedures in question should be considered to significantly lack fairness. Even taking into account that the panel (chief trial examiner) has reasonable discretion to determine the development of trial procedures and the procedure of proceedings, such change can be considered to go beyond said discretion. Such defect in procedures can be considered to be an error that affects the conclusion.

(4) Brief summary

As mentioned above, the JPO decision contains an error in its determination concerning the burden of alleging and proving a Usurped Application (Ground for Rescission 1), a procedural error that affects the conclusion of the JPO decision (Ground for Rescission 2), and an error in its determination that the Patent cannot be considered to have been granted on a Usurped

Application (Ground for Rescission 3). These errors affect the conclusion of the JPO decision.

2. Conclusion

On these grounds, the JPO decision contains illegality that affects its conclusion. Therefore, the plaintiff's claim shall be upheld, and the judgment shall be rendered in the form of the main text.

Intellectual Property High Court, Third Division

Presiding judge: IIMURA Toshiaki

Judge: NAKADAIRA Ken

Judge: UEDA Hiroyuki