| Date        | February 8, 2012    | Court | Intellectual Property High Court, |
|-------------|---------------------|-------|-----------------------------------|
| Case number | 2011 (Gyo-Ke) 10164 |       | Fourth Division                   |

-In an action against the trial decision rendered in a trial for patent invalidation, it should be construed that the subject matter of the proceedings and decision is the illegality of the determination made in the trial decision with regard to whether or not the relevant invention could be easily invented based on the invention described in the specific cited reference, which has been stated in the grounds for request for trial (including the grounds for conducting the proceedings ex officio); and even if there were errors in the findings made in the trial decision in respect to the similarities and differences between the subject invention and the invention in the specific cited reference, if such errors do not affect the conclusion of the trial decision, no illegality can be found to immediately rescind such trial decision.

-A case in which the court maintained the trial decision, on the grounds that the errors in specifying the similarities and differences between the invention in question and cited invention in the trial decision rendered in a trial for patent invalidation concerning an invention entitled "battery-operated alarm" do not affect the conclusion of the trial decision.

## References:

Article 29, paragraph (2) of the Patent Act

In this case, the plaintiff filed an action seeking the rescission of the trial decision rendered by the Japan Patent Office (JPO), which held that the request for a trial for patent invalidation filed by the plaintiff against the defendants in regard to their patent for an invention entitled "battery-operated alarm" to be invalid.

In sum, the trial decision in question was rendered on the following grounds: (i) it cannot be found that the invention in question could have been easily invented by a person skilled in the art based on the invention stated in cited reference No. 1 and a well-known art; and (ii) it cannot be found that the invention in question could have been easily invented by a person skilled in the art based on the invention stated in cited reference No.2, the invention stated in cited reference No.3 or No.1, well-known art and common general knowledge.

The grounds for rescission alleged by the plaintiff are as follows: (i) errors in the determination concerning the ease of conceiving the invention in question based on cited invention No.1 (grounds for rescission No.1); and (ii) errors in the determination concerning the ease of conceiving the invention in question based on the cited invention No.2 (grounds for rescission No.2).

This judgment held as follows with regard to the grounds for rescission No.1 and further found the grounds for rescission No.2 to be groundless, and dismissed the plaintiff's claim.

"The trial decision in question contains errors in finding the similarities and differences between the invention in question and cited invention No.1, and in this regard, the abovementioned plaintiff's allegation must be considered to have grounds.

Nevertheless, in cases where filing a request for a trial for patent invalidation, the facts on which the invalidation of the patent is based shall be specified in concrete terms in the grounds for the request (Article 131, paragraph (2) of the Patent Act), and thus, in cases where the request is filed on the basis that the relevant invention was patented in violation of the provision of Article 29, paragraph (2) of the Act, the subject matter in the trial and trial decision shall be whether or not the relevant invention could be easily invented based on the specific inventions set forth in the items of paragraph (1) of said Article. Accordingly, it should be construed that the subject matter of the proceedings and decision is the illegality of the determination made in the trial decision with regard to whether or not the relevant invention could be easily conceived of based on the invention described in a specific cited reference, which has been stated in the grounds for request for trial (including the grounds for conducting proceedings ex officio). Moreover, it is considered that this construction may result in avoiding the case from being transferred back and forth between JPO and the court due to the rescission of the trial decision, and further contribute to the one-time resolution of a dispute concerning the validity of a patent. Accordingly, even if there are errors in the findings made in the trial decision with respect to the similarities and differences between the subject invention and the invention in the specific cited reference, if such errors do not affect the conclusion of the trial decision, no illegality can be found to immediately rescind such trial decision.

Taking this into account in this case, the trial decision in question does contain errors in finding the similarities and differences between the invention in question and cited invention No.1 as mentioned above, but as the invention in question could not be easily invented based on cited invention No.1 and the abovementioned errors in the findings do not affect the conclusion of the trial decision after all as described above, no illegality to rescind the trial decision can be found therein."