Date	August 17, 2004	Court	Tokyo District Court, 47th Civil Division
Case number	2004 (Wa) 9208		

– A case in which the court held that a person who infringes or is likely to infringe the patent right mentioned in Article 100 of the Patent Act refers to a person who commits or is likely to commit the act of working the patented invention by him/herself (Article 2, paragraph (3) of the Patent Act) or any of the acts prescribed in Article 101 of said Act, and does not include any other persons who induce or serve as an accessory to such an act.

References: Article 100, Article 2, paragraph (3), and Article 101 of the Patent Act
Number of related rights, etc.: Patent No. 2623491

Summary of the Judgment

The plaintiff is a stock company engaging in the business of technological development and construction work relating to the maintenance and repair work of items that are on the road, such as manholes. It holds a patent right for a patent (Patent No. 2623491; the "Patent" and the "Patent Right") for an invention titled "cutting overlay method" (the "Invention"). The defendant is an association that does not have the legal capacity to hold rights and that was established with the aim of conducting the study, improvement, and development of technologies relating to the MR^2 method, which is a method of exchanging manhole iron covers, and improving the status of its members. The defendant developed the MR^2 method and MR^2 AB method, which is one type of MR^2 method, discloses technologies for said methods to its members, grants to them the right to use a trademark, etc. affixed with the defendant's name, and also conducts preparation and distribution of copies of an advertising pamphlet, placement of advertisements, contribution of an article to a technical journal, etc.

In this case, the plaintiff, who is the patentee, alleged that MR^2 AB method falls under the technical scope of the Invention and that the defendant's act constitutes infringement of the Patent Right, and based on this allegation and based on the Patent Right, the plaintiff filed this action against the defendant to seek, among others, an injunction against offering for working of MR^2 AB method and distribution of copies of the pamphlet.

In this judgment, the court dismissed the plaintiff's claims, holding as summarized below.

(1) It is obvious that the Invention is a cut overlay method for pavement, including a manhole frame, that comprises multiple steps and cannot be considered to involve production of a product. Therefore, the Invention is an invention of a process, and does

not fall under an invention of a process of producing a product. As the Invention is an invention of a process, its working means the use of the process pertaining to the Invention (Article 2, paragraph (3), item (ii) of the Patent Act). Consequently, the acts that constitute infringement of the Patent Right are limited to the act of using the process pertaining to the Invention and the act that falls under Article 101, item (iii) or (iv) of the Patent Act (prior to the amendment by Act No. 55 of 2006). It is obvious that the act of distributing copies of the pamphlet of MR^2 AB method, etc. cannot be considered to fall under the working of the Invention.

(2) Although Article 100 of the Patent Act permits demanding a person who infringes, etc. a patent right to stop or prevent such infringement, it is reasonable to understand that a person who infringes or is likely to infringe the patent right mentioned in said Article refers to a person who commits or is likely to commit the act of working the patented invention by him/herself (Article 2, paragraph (3) of the Patent Act) or any of the acts prescribed in Article 101 of said Act and does not include any other persons who induce or serve as an accessory to such an act. This is presumably for the following reasons: [i] an injunction based on a tort is in principle not permitted under the Civil Code of Japan, and an injunction against an infringement of a patent right is provided for by the Patent Act based on the exclusive effect of a patent right; [ii] the liability for a tort based on inducement or accessoryship is designed to make a person who committed inducement or accessoryship bear the liability for damages (Article 719, paragraph (2) of the Civil Code) by especially considering inducement or accessoryship as a joint tort from the perspective of protection of victims though such person does not infringe any right by him/herself, and its institutional purpose differs from that of the right to seek an injunction that arises from the exclusive effect of a patent right; [iii] there can be various forms of acts of inducement or accessoryship, and if it is permitted to impose an injunction against the act of inducing or serving as an accessory to infringement of a patent right, those subject to a claim for an injunction will be expanded without limit or the scope of an injunction is likely to become excessively extensive, which may result in inhibiting free economic activities; and [iv] the provision on indirect infringement prescribed in Article 101 of the Patent Act permits to impose an injunction by deeming some types of act of serving as an accessory to infringement of a patent right to be an act of infringement, and if it is understood that an injunction can be imposed on the act of accessoryship in general, the purpose of creating said provision will be ignored.

In that case, as long as the aforementioned act of the defendant does not fall under the working of the Invention or any of the acts prescribed in Article 101 of the Patent

Act, even if the defendant's act induces or serves as an accessory to its members' act of construction through the working of the Invention, it should not be permitted to seek an injunction against the aforementioned act of the defendant.

Judgment rendered on August 17, 2004

2004 (Wa) 9208 Case of Seeking an Injunction against Infringement of a Patent Right, etc.

Date of conclusion of oral argument: July 13, 2004

Judgment

Plaintiff: Hanex Road Co., Ltd.

Defendant: MR^2 Koho Kyokai

Main Text

1. All of the plaintiff's claims shall be dismissed.

2. The plaintiff shall bear the court costs.

Facts and reasons

No. 1 Claims

1. The defendant is prohibited from making an offer for working MR^2AB method.

2. The defendant is prohibited from distributing copies of the pamphlet of MR^2AB method attached to Attachment 1 "List of Items."

3. The defendant files with the Ministry of Land, Infrastructure, Transport and Tourism an application for deletion of the part relating to MR^2AB method in MR2 method that is registered on NETIS' website run by said Ministry within one week from the date on which this judgment is rendered.

4. The defendant places an apology as described in Attachment 2 "List of Public Apologies" on "Journal of Sewage, Monthly," "Kentsu Shimbun," and "Nihon Gesuido Shimbun" once, respectively, in the manner as described in said List within one month from the date on which this judgment is rendered.

5. The defendant pays to the plaintiff 1,500,000 yen and the amount calculated by the rate of 5% per annum accrued thereon for the period from May 21, 2004 (date of service of the complaint) to the date of completion of the payment.

No. 2 Background, etc.

1. Undisputed facts, etc.

(1) Parties

A. The plaintiff is a stock company engaging in the business of technological development and construction work relating to the maintenance and repair work of items that are on the road, such as manholes.

B. The defendant is an association without legal capacity to hold rights, which was established with the aim of conducting the study, improvement, and development of technologies relating to MR^2 method, which is a method of exchanging manhole iron covers, engaging in the development of the sewage system business, etc. through dissemination and provision of

knowledge on developed technologies, and the improvement of the status of its members.

(2) Plaintiff's patent right

The plaintiff holds a patent right as described below (hereinafter referred to as the "Patent Right"; the invention pertaining to this patent is referred to as the "Invention").

A. Patent number: No. 2623491

B. Title of the invention: Cutting overlay method

C. Application date: December 30, 1991

D. Publication date: July 20, 1993

E. Registration date: April 11, 1997

F. Scope of claims (Claim 1)

"A cutting overlay method for pavement that includes a manhole frame, which comprises [a] a step wherein pavement around the manhole frame is cut into a cylindrical shape and the cut pavement board and the manhole frame are removed, [b] a step wherein a support cover is temporarily provided on a manhole base wall and pavement material is cast in a cavity around the support cover, [c] a step wherein the surface of the pavement, including the surface of the pavement material on the manhole base wall, is cut and an overlay is constructed on the cut surface, [d] a step wherein pavement around the area where a manhole frame is planned to be installed is cut into a cylindrical shape from above the overlay and the cut pavement board and the support cover are removed, [e] a step wherein an installation base for the manhole frame is constructed on the manhole base wall and the manhole frame is installed on the installation base in a manner that its upper surface is at the same height as the surface of the overlay, and [f] a step wherein pavement material is cast in a cavity around the manhole frame up to the height of the surface of the overlay."

(3) The constituent features of the Invention are segmented as described below (hereinafter each segment is referred to as Constituent Feature [a], etc.).

[g] A cutting overlay method, which comprises

[a] a step wherein pavement around the manhole frame is cut into a cylindrical shape and the cut pavement board and the manhole frame are removed,

[b] a step wherein a support cover is temporarily provided on a manhole base wall and pavement material is cast in a cavity around the support cover,

[c] a step wherein the surface of the pavement, including the surface of the pavement material on the manhole base wall, is cut and an overlay is constructed on the cut surface,

[d] a step wherein pavement around the area where a manhole frame is planned to be installed is cut into a cylindrical shape from above the overlay and the cut pavement board and the support cover are removed,

[e] a step wherein an installation base for the manhole frame is constructed on the manhole base

wall and the manhole frame is installed on the installation base in a manner that its upper surface is at the same height as the surface of the overlay, and

[f] a step wherein pavement material is cast in a cavity around the manhole frame up to the height of the surface of the overlay

(4) Defendant's act

The defendant developed MR^2 method and MR^2 AB method, which is one type of MR^2 method, discloses technologies for said methods to its members, grants to them the right to use a trademark, etc. affixed with the defendant's name, and also conducts preparation and distribution of copies of an advertising pamphlet, placement of advertisements, contribution of an article to a technical journal, etc., as described below.

Incidentally, MR^2 AB method is a method for installation work of the upper portion of a manhole in association with paving work, and it satisfies Constituent Features [c], [e], [f], and [g] of the Invention.

A. The defendant prepares a pamphlet of MR^2 AB method (Exhibit Ko No. 3) and distributes copies thereof to road administrators at public offices, etc. and those engaging in a business using roads who install manholes on the road, etc.

B. The defendant applied for the registration of MR^2 AB method with NETIS (New Technology Information System; Exhibit Ko No. 5), which is a database run by the Ministry of Land, Infrastructure, Transport and Tourism, and said method was registered with said database and is spread via the Internet (Exhibit Ko No. 4).

C. Representative P of the defendant contributed an article about MR^2 AB method to the March 2004 issue of "Journal of Sewage, Monthly," and said article was published therein (Exhibit Ko No. 6).

2. Background

The plaintiff, who is the patentee, alleged that [i] MR^2 AB method falls under the technical scope of the Invention and that the defendant's act constitutes infringement of the Patent Right. Based on this allegation and based on the Patent Right, the plaintiff filed this action against the defendant to seek an injunction against offering for working of MR^2 AB method and distribution of copies of the pamphlet, filing of an application for the deletion of said method from the website, and placement of a public apology. In addition, [ii] the plaintiff also seeks payment of damages pertaining to this action (attorney's fees) and delay damages.

3. Issues of this case

(1) Structure of MR^2 AB method

(2) Whether MR^2 AB method falls under the technical scope of the Invention

(3) Whether the defendant's act constitutes an act of infringement

(4) Necessity of publication of an apology

(5) Presence or absence of damages and the amount thereof

(omitted)

No. 4 Court decision

1. Regarding Issue (3) (whether the defendant's act constitutes an act of infringement)

(1) Regarding working by the defendant itself

On the premise that the Invention is an invention of a process of producing a product, the plaintiff alleges that the defendant's act of distributing copies of the pamphlet and applying for registration with NETIS falls under an offering for assignment, etc. of a product produced by the process.

Whether the Invention falls under an invention of a process of producing a product should be determined primarily based on the statements in the scope of claims in the description attached to the application (see 1998 (O) No. 604, judgment of the Second Petty Bench of the Supreme Court of July 16, 1999, Minshu, Vol. 53, No. 6, at 957). The statements in the scope of claims of the Invention is as found in No. 2, 1.(2)F. above. It is obvious that the Invention is a cut overlay method for pavement including a manhole frame that comprises multiple steps and cannot be considered to involve production of a product. Therefore, the Invention is an invention of a process, and does not fall under an invention of a process of producing a product.

The patentee of the Patent Right has the exclusive right to work the Invention as a business (Article 68 of the Patent Act), and working of the Invention without license constitutes infringement of the Patent Right. However, as the Invention is an invention of a process, its working means the use of the process pertaining to the Invention (Article 2, paragraph (3), item (ii) of said Act). Consequently, the acts that constitute infringement of the Patent Right are limited to the act of using the process pertaining to the Invention and the act that falls under Article 101, item (iii) or (iv) of the Patent Act.

Even if MR^2 AB method falls under the technical scope of the Invention, there is no sufficient evidence to find that the defendant used MR^2 AB method or committed any act that falls under Article 101, item (iii) or (iv) of the Patent Act. It is obvious that neither the act of distributing copies of the pamphlet of MR^2 AB method nor the act of applying for registration with NETIS can be considered to fall under the working of the Invention.

Consequently, there is no reason for the plaintiff's allegation to the effect that the defendant worked the Invention by itself and infringed the Patent Right.

(2) Regarding a joint act with the members of the defendant

The plaintiff alleges that the defendant's act of distributing copies of the pamphlet and applying for registration with NETIS is a joint act that is integral with and inseparable from the

members' act of construction.

According to the entire import of argument, the defendant's business is found to be the development, improvement, etc. of methods, preparation of technical data, manuals, etc., provision of training, and dissemination and knowledge provision activities. The actors who actually carry out MR^2 AB method are consistently the members of the defendant, and it is difficult to consider the defendant itself to be an actor who carries out MR^2 AB method. Incidentally, according to evidence (Exhibit Ko No. 5), it is found that there is the following statement in the "questions concerning new registration" section in the "Q&A concerning NETIS" section on the website about NETIS: "If technology developed by an association, a study group, etc. is registered under the name of an individual company, there arises the possibility that one technology will be registered under the name of multiple companies, which will cause confusion among website visitors. Therefore, please register such technology under the name of the association, etc." This statement is merely for website visitors' convenience, and it cannot be considered as one that is based on the premise that the defendant serves as an actor of working.

In this manner, actors who actually conduct construction by using MR^2 AB method are the members of the defendant, and the defendant's business does not go beyond the role of aiding its members, specifically consisting of the development, improvement, etc. of methods, preparation of technical data, manuals, etc., provision of training, and dissemination and knowledge provision activities. Therefore, the defendant's act of distributing copies of the pamphlet and applying for registration with NETIS cannot be considered to be integral with and inseparable from its member's act of construction. Incidentally, even if the defendant commits infringement of the Patent Right jointly with its members, the subject of an injunction is the act of using the process pertaining to the Invention committed by those who commit said act of use, and there is no legal ground for imposing an injunction against the defendant's act of offering for working of MR^2 AB method and distributing copies of the pamphlet, etc.

(3) Regarding inducement or accessoryship of the member's act of working the Invention

Moreover, the plaintiff alleges that the defendant's act of advertising to its customers, establishing a technical level, and qualifying technology managers induces or serves as an accessory to its member's act of construction and falls under a joint tort committed with its members.

However, although Article 100 of the Patent Act permits demanding a person who infringes, etc. a patent right to stop or prevent such infringement, it is reasonable to understand that a person who infringes or is likely to infringe the patent right mentioned in said Article refers to a person who commits or is likely to commit the act of working the patented invention by him/herself (Article 2, paragraph (3) of the Patent Act) or any of the acts prescribed in Article

101 of said Act and does not include any other persons who induce or serve as an accessory to such an act. This is presumably for the following reasons: [i] an injunction based on a tort is in principle not permitted under the Civil Code of Japan, and an injunction against an infringement of a patent right is provided for by the Patent Act based on the exclusive effect of a patent right; [ii] the liability for a tort based on inducement or accessoryship is designed to make a person who committed inducement or accessoryship bear the liability for damages (Article 719, paragraph (2) of the Civil Code) by especially considering inducement or accessoryship as a joint tort from the perspective of protection of victims though such person does not infringe any right by him/herself, and its institutional purpose differs from that of the right to seek an injunction that arises from the exclusive effect of a patent right; [iii] there can be various forms of acts of inducement or accessoryship, and if it is permitted to impose an injunction against the act of inducing or serving as an accessory to infringement of a patent right, those subject to a claim for an injunction will be expanded without limit or the scope of an injunction is likely to become excessively extensive, which may result in inhibiting free economic activities; and [iv] the provision on indirect infringement prescribed in Article 101 of the Patent Act permits to impose an injunction by deeming some types of act of serving as an accessory to infringement of a patent right to be an act of infringement, and if it is understood that an injunction can be imposed on the act of accessoryship in general, the purpose of creating said provision will be ignored.

In that case, as long as the aforementioned act of the defendant does not fall under the working of the Invention or any of the acts prescribed in Article 101 of the Patent Act, even if the defendant's act induces or serves as an accessory to its members' act of construction, it should not be permitted to seek an injunction against the aforementioned act of the defendant.

(4) Based on the above, there is no reason for all of Plaintiff's Claims 1 to 3.

(omitted)

4. Conclusion

Based on the above, all of the plaintiff's claims shall be dismissed without the need for making determinations on other issues because there is no reason therefor. The plaintiff shall bear the court costs. The judgment shall be rendered in the form of the main text.

Tokyo District Court, 47th Civil Division

Presiding judge: TAKABE Makiko

Judge: SHOJI Tamotsu

Judge: TANABE Minoru

(Attachment 1)

List of Items

Pamphlet of MR^2 AB method

Heading: MR^2 AB Method

Publisher: MR^2 Koho Kyokai

Chiyoda-ku, Tokyo (the rest is omitted)

Content: Steps and advantages of MR^2 method (the details are as shown on the next page)

(Attachment)

Method for Adjustment and Installation of the Upper Portion of a Manhole in Association with Road Paving Work

・・・・・・・・ 道路舗装工事に伴うマンホール上部の調整・据え付け工法 ・・・・・・・・

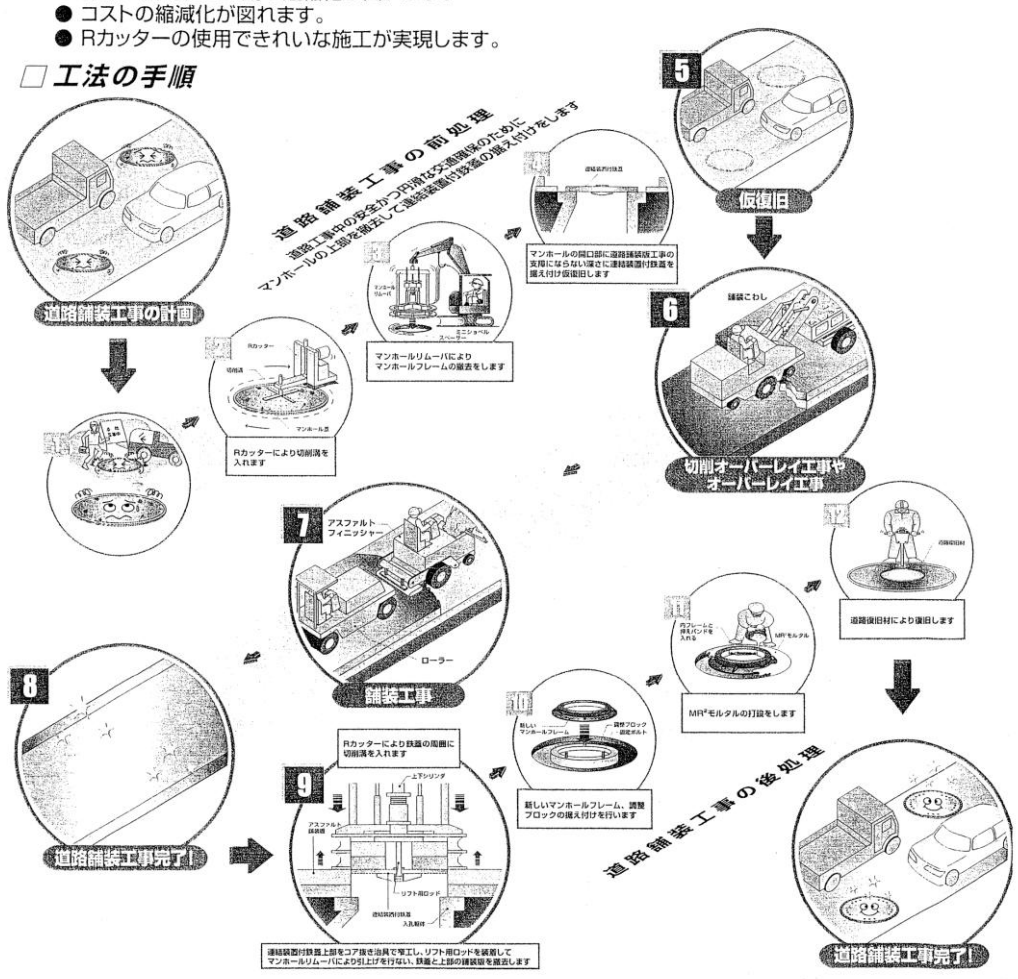
□ MR²®AB工法

この工法は、道路舗装工事に際して下水道・NTTを始めライフラインのマンホールが工事中の安全及び歩行者・自動車等の円滑な通行のさまたげとなるために、舗装工事前にマンホールの上部を撤去し、マンホールの開口部に連結装置付鉄蓋を据え付けて道路の仮復旧を行ない道路舗装工事後、連結装置付鉄蓋及びその上部の舗装版の撤去をし、開口部にマンホールの上部（鉄蓋・受枠）を据え付ける工法です。
この工法は、道路舗装工事が効率よく安全に施工可能とする工法です。

□ 工法の特長

- 低振動・低騒音の作業で夜間や住宅地の工事も安心です。
- 作業の容易性と工期の短縮化が図れます。
- コストの縮減化が図れます。
- Rカッターの使用できれいな施工が実現します。

□ 工法の手順



MR²工法協会
〒101-0047　東京都千代田区内神田3-5-5 大同ビル
TEL 03-3526-5117　FAX 03-3526-5118
URL:http://www6.ocn.ne.jp/~mr2club/

(Attachment 2)

List of Public Apologies

Public Apology

Mr./Ms. Q

Hanex Road Co., Ltd.

We would like to apologize to you by acknowledging that our act of distributing to persons concerned copies of a pamphlet of MR^2 AB method, which is a method for adjustment and installation of the upper portion of a manhole in association with paving work whose dissemination we promote and act of registering said method with NETIS and spreading it via the Internet constitute infringement of your patent right relating to a retrofitting method.

Date:

P, MR^2 Koho Kyokai

Chiyoda-ku, Tokyo (the rest is omitted)

Details of Placement 1

[i] Newspaper or journal on which the public apology is placed: "Journal of Sewage, Monthly" published by Kankyoshimbunsha Co., Ltd.

[ii] Section in which the public apology is placed: Inside the front cover

[iii] Size: One page (B5 size)

[iv] Apology text: As stated above

Details of Placement 2

[i] Newspaper or journal on which the public apology is placed: "Kentsu Shimbun" published by the Tokyo Branch of Kabushiki Kaisha Kentsu Shimbunsha.

[ii] Section in which the public apology is placed: Ad column on the front page

[iii] Size: Half the width and three-fifteenth the vertical length of one page (about 12 cm x 10.4 cm)

[iv] Apology text: As stated above

Details of Placement 3

[i] Newspaper or journal on which the public apology is placed: "Nihon Gesuido Shimbun" published by Nihon Gesuido Shimbunsha

[ii] Section in which the public apology is placed: Below articles on an ordinary page

[iii] Size: One-third the width and three-fifteenth the vertical length of one page (about 9.8 cm x 12.2 cm)

[iv] Apology text: As stated above