

**Judgments of Intellectual Property High Court ( Grand Panel )**

**Date of the judgment: 2005.9.30**

**Case Number: 2005 (Ne)No.10040**

**Party:**

Appellant-Defendant: Justsystem Corporation

Appellee-Plaintiff: Matsushita Electric Industrial Co., Ltd.

**Holdings:**

1 Under the facts found in this case, manufacture and sale of a word processing software constitutes indirect infringement of Article 101, Subparagraph 2 of the Patent Law, but does not constitute indirect infringement of Article 101, Subparagraph 4.

2 The invention entitled "information processing device and information processing method" does not meet the requirement of inventive step (Article 29, Paragraph 2) and therefore the patent for the invention is to be invalidated.

**References:**

Patent Law (Article 29, Paragraph 2; Article 101, Subparagraphs 2 and 4; Article 104-3, Paragraph 1)

**Summary of the Judgment:**

Matsushita Electric Industrial Co., Ltd. (hereinafter "Matsushita") is a holder of patent right entitled "information processing device and information processing method" (hereinafter "the Patent"). The Patent has three claims: Claims 1 and 2 relate to "product invention" (hereinafter "Invention 1" "Invention 2") and Claim 3 relates to "method invention" (hereinafter "Invention 3").

Justsystem Corporation (hereinafter "Justsystem") is engaged in manufacturing, selling and offering to sell Japanese word processing software "Ichitaro" and graphics software "Hanako" (hereinafter "Justsystem's products" collectively). Purchasers of those products use the softwares by installing them on their own personal computers.

Matsushita brought this infringement lawsuit to the Tokyo District Court alleging that Justsystem's conduct constituted indirect infringement provided in Article 101, Subparagraphs 2 and 4 of the Patent Law (hereinafter "the Law").

Matsushita sought injunctive relief and destruction of Justsystem's products in accordance with Article 100 of the Law. The Tokyo District Court held that a personal computer on which

Justsystem's products were installed was, as a product itself or by use thereof, came under the scope of claims of the Patent and thus constituted indirect infringement pursuant to Article 101, Subparagraphs 2 and 4 of the Law. The District Court then

rejected the defense of Justsystem that the Patent was obviously invalid due to lack of inventive step and Matsushita abused its patent right. Thus, the District Court allowed injunctive relief for Matsushita and ordered Justsystem to destroy Justsystem's products. Justsystem appealed to the Intellectual Property High Court (hereinafter "the Court"). The issues before the Court are as follows: (1) whether a personal computer on which Justsystem's products are installed, as a product itself or by use thereof, falls within the scope of the Patent's claims; (2) whether Justsystem indirectly infringed Matsushita's Patent pursuant to Article 101, Subparagraphs 2 and 4 of the Law; (3) whether the Patent is to be invalidated and thus Matsushita's exercise of the Patent right should not be allowed; and (4) whether additional allegation and evidence submitted by Justsystem before the Court should be dismissed as unduly late offensive/defensive action. The Court reversed the District Court's decision and dismissed all of Matsushita's claims, holding as follows:

As for the first issue (i.e. scope of claims), the Court affirmed and cited the District Court's findings that the term "icon" in the claims simply meant "a picture or pictograph displaying various data and processing functions on the display screen, by which commands are processed." The Court further found that "to display on the display screen the second icon so as to perform the predetermined information processing functions" and "to display on the display screen functional description of the second icon" in the claims meant to display on the display screen two or more icons so as to perform information processing functions and to display functional description of an icon selected among the said two or more icons." The Court concluded on the first issue that a computer on which Justsystem's products were installed, as a product and by use thereof, met the constituent features of the invention and thus fell within the scope of the Patent's claims.

As for the second issue (i.e. indirect infringement), the Court found Justsystem liable for indirect infringement provided in Article 101, Subparagraph 2 of the Law regarding Invention 1 and 2. The Court held that (a) Justsystem's products were used to manufacture "a personal computer on which Justsystem's products are installed," which met every constituent feature of Invention 1 and 2, (b) the products were indispensable for Invention 1 and 2 to solve the problems set forth in the specifications, (c) the Justsystem's products together with the help functions therefor could not be installed on a personal computer without completing a product that met every constituent feature of Inventions 1 and 2, (d) Justsystem's products contained those portions that were exclusively used for producing a product that met every constituent feature of Inventions 1 and 2, thus Justsystem's products should not be deemed as "articles which are widely and generally distributed in Japan" as provided in Article 101, Subparagraph 2. The Court further found that Justsystem had been aware by the time of the service of complaint at the latest that Matsushita was the patent holder of Inventions

1 and 2, and that Justsystem's products used these inventions. Consequently, the Court decided that Justsystem indirectly infringed the Patent regarding Inventions 1 and 2 pursuant to Article 101, Subparagraph 2 of the Patent Law.

The Court rejected, however, the existence of indirect infringement regarding Invention 3 in accordance with Article 101, Subparagraph 4. Although the Court admitted that "a computer on which Justsystem's products are installed" was "for use of the method of the invention...and indispensable for the invention to solve the problems" as provided in the said subparagraph, thus manufacture and sale of the personal computer could be found as indirect infringement, the Court found Justsystem not liable for indirect infringement under Article 101, Subparagraph 4 because Justsystem was manufacturing and selling only Justsystem's products used for manufacturing the personal computers, rather than manufacturing or selling the said computers themselves. As for the third issue (i.e. invalidation), by comparing the inventions of this case with an invention described in a publication written in English that had been distributed abroad prior to the filing date of the Patent application (the publication submitted as evidence after appeal), the Court held as follows: (a) the only difference between these inventions is that the "functional description display means", which functions to display the functional description of an icon is an "icon" in the inventions of this case whereas it is a "screen/menu help" item in the cited invention; (b) in light of the technical matters well known at the time of the filing of the Patent application, a person skilled in the art could have easily arrived, from the cited invention, at the idea of using an "icon" instead of a "screen/menu help" item as the "functional description display means"; and (c) therefore, a person skilled in the art could have easily arrived at the inventions of this case. For these reasons, the Court concluded that Matsushita's patent was to be invalidated through the invalidation procedures before the Japan Patent Office, and thus Matsushita should not be allowed to exercise its patent right pursuant to Article 104-3, Paragraph 1 of the Patent Law.

As for the fourth issue (unduly late offence/defense), the Court rejected Matsushita's argument that the additional allegation and evidence submitted before the appeal court should be dismissed on the grounds of unduly late defense. The reasoning of the Court is as follows: (a) proceeding of the first instance was carried out expeditiously in a very short period, (b) Justsystem submitted the additional allegation and evidence at the earlier stage of the appellate proceedings, (c) the additional allegation and evidence are only for supplement prior allegation from a slightly different perspective; and (d) the new allegation and evidence is based on the publication written in English, which had been distributed abroad long before this suit was filed (it is unavoidable to take considerable time to search and find such reference).

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2005 (Ne) 10040, Appeal Case of Seeking an Injunction against Patent Infringement (Court of prior instance: Tokyo District Court; 2004 (Wa) 16732) (Date of conclusion of oral argument: July 15, 2005)

#### Judgment

Appellant: JustSystems Corporation  
Counsel attorney: FUKUSHIMA Eiichi  
Same as above: SUGA Hiroshi  
Same as above: NAGATA Sanae  
Same as above: OMUKAI Naoko  
Patent attorney as an assistant in court: KIMURA Mitsuru  
Same as above: ISHII Yuichiro  
Same as above: AMAMIYA Yasuhito  
Appellee: Matsushita Electric Industrial Co., Ltd.  
Counsel attorney: OHNO Seiji  
Same as above: ICHIHASHI Tomomine  
Counsel patent attorney: TANAKA Hisako

#### Main Text

The judgment in prior instance shall be revoked.  
All of the claims of the appellee shall be dismissed.  
The appellee shall bear the court costs for the first instance and the second instance.

#### Facts and reasons

No. 1 Judicial decision sought by the parties

1. Appellant

The same as the main text of this judgment.

2. Appellee

- (1) This appeal shall be dismissed.
- (2) The appellant shall bear the cost of appeal.

No. 2 Outline of the case

1. Summary of the case

(1) This case may be summarized as follows. The appellant has been engaged in manufacturing, assigning, etc., or offering for assignment, etc., the products (Product names: "Ichitaro" and "Hanako"; hereinafter collectively referred to as the "appellant's product") listed on attached Product List A and attached Product List B (the same as the

Product Lists attached to the judgment in prior instance). The appellee argues that said act of the appellant should be regarded to fall under Article 101, items (ii) and (iv) of the Patent Act and constitute infringement of the appellee's patent right. Based on Article 100 of the Patent Act, the appellee sought an injunction against said act of the appellant and demanded the disposal of the appellant's product.

(2) Said patent right of the appellee (hereinafter referred to as the "Patent Right") is Patent No. 2803236 (Patent application date: October 31, 1989, Registration date: July 17, 1998, hereinafter referred to as the "Patent"). As described in the description related to the Patent Right (hereinafter referred to as the "Description"; Please refer to the attached patent gazette (hereinafter referred to as the "Gazette")), the invention is entitled "Information processing device and information processing method."

The invention in question was made to solve the following problem: "For a better machine interface, in order to give a functional description [...] about the Window System, (which has been adopted by many) [...] information processing devices equipped with a pointing device such as a mouse, it was common to create a function description key and give a description about all of the functions of the device when the function description key is pressed or to let the user enter a keyword after activating a function description application. [...] By this (conventional) method, however, the user cannot receive the function description service if he/she cannot remember or come up with a keyword" (on line 2 to line 13 of Section 3 of the Gazette). This is an invention of an information processing device and information processing method that has a configuration consisting of the means to solve this problem and that is designed to provide functional description. The claims are as follows.

[Claim 1] An information processing device characterized by having (i) a display means to display on the display screen the first icon, which triggers the execution of the function of displaying a functional description of an icon, and the second icon, which triggers the execution of the predetermined information processing function, (ii) a designation means to designate an icon displayed on the display screen of said display means, and (iii) a control means to display a functional description of the second icon on the display screen of said display means in response to the designation of the second icon subsequent to the designation of the first icon by said designation means.

[Claim 2] The information processing device described in Claim 1, which is characterized by the process where if the second icon is not designated by said designation means immediately after the designation of the first icon, said control means executes the predetermined information processing function of said second icon.

[Claim 3] An information processing method that is designed to control a device equipped

with a data input device and data display device and that is characterized by the method where the first icon is displayed on the display screen, which then triggers the execution of the function of displaying a functional description, and the second icon, which triggers the execution of the predetermined information processing function, triggers, in response to the designation of the second icon subsequent to the designation of the first icon, the display of a functional description of said second icon on the display screen.

(The invention described in [Claim 1] is hereinafter referred to as "Invention 1," the invention described in [Claim 2] as "Invention 2," and the invention described in [Claim 3] as "Invention 3"; these inventions are hereinafter collectively referred to as the "Invention")

(3) The appellant's product consists of a software program for document preparation (Japanese word processor software, "Ichitaro") and a software program for graphic creation (comprehensive graphic software, "Hanako") as specified in attached Product Lists A and B. The users who purchased the appellant's product, which was produced and sold by the appellant, can use the product by installing it onto a computer.

In the "Product Name" section of attached Product Lists A and B, the products are simply specified as "Ichitaro" and "Hanako." In light of the entire import of the oral argument, it is interpreted that the appellee intends to have this lawsuit cover all of the products that have the product names containing the word "Ichitaro" or "Hanako": regardless of the version, that have the function specified in the "Function" section of said lists.

(4) The judgment in prior instance states that the computer onto which an appellant's product has been installed and the use thereof fulfill all of the constituent features of the Invention and therefore fall within the technical scope thereof, and that, while said act of the appellant constitutes infringement, i.e., indirect infringement under Article 101, items (ii) and (iv) of the Patent Act (hereinafter referred to as "indirect infringement"), it is not reasonable to conclude that the lack of inventive step in the Invention clearly provides grounds for invalidation. In conclusion, the court of prior instance determined that, since the appellee's claims based on the Patent Right may not be regarded as an abuse of right, all of the appellee's claims are acceptable. Dissatisfied, the appellant filed this appeal.

(5) In this court, the appellant has disputed the fulfillment of the constituent features and the establishment of indirect infringement, and also presented, based on the newly submitted publications, additional grounds for invalidation of the Patent due to the lack of novelty or inventive step of the Invention, and, by pointing out the grounds for invalidation due to the lack of inventive step as it had alleged in the prior instance, claimed that restrictions should be imposed on the exercise of the right based on Article 104-3, paragraph (1) of the Patent Act (the appellant has withdrawn the claim for an abuse of right that it had presented in the

prior instance). In response, the appellee has claimed that the appellant's additional allegations and evidence newly submitted to this court with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent should be dismissed for being made outside the appropriate time.

## 2. Undisputed facts, etc.

Since this section is the same as the content of 1 of "No. 2 Outline of the case" in the "Facts and Reasons" section of the judgment in prior instance, we cite it for this section. We hereinafter use the abbreviations used in the judgment in prior instance.

## 3. Issues

(1) Whether the computer onto which the appellant's product has been installed and the use thereof fulfills the constituent features (Issue 1);

(2) Whether indirect infringement specified in Article 101, items (ii) and (iv) of the Patent Act has been established (Issue 2);

(3) Whether the Patent Right shall not be exercised because the Patent may be found invalid by a patent invalidation trial (Issue 3);

(4) Whether the additional allegations and evidence submitted by the appellant to this court should be dismissed for being made outside the appropriate time (Issue 4).

## 4. Allegations of the parties concerning the issues

As described in 5 and 6 below, additional allegations were submitted to this court. Other than those, this section is the same as the content of "No. 3 Allegations of the parties concerning the issues" in the "Facts and Reasons" section of the judgment in prior instance. Therefore, we cite it for this section (after replacing "(abuse of right)" on line 12 of page 10 of the judgment in prior instance with "(restrictions on the exercise of the Patent Right)," replacing "Since it is obvious that there are grounds for invalidation, any claims based on the Patent constitutes an abuse of right and are therefore unacceptable." on line 16 to line 17 of said page with "Since there are grounds for invalidation, the Patent should be invalidated by patent invalidation trial. Therefore, the Patent Right shall not be exercised against the appellant," and the "it is not certain that there are grounds for invalidation of the Patent" on line 6 to line 7 of page 15 of said judgment will be replaced with "there are no grounds for invalidation of the Patent.")

## 5. Additional allegations submitted by the appellant to this court

(1) Issue 1 (Fulfillment of the constituent features)

In the case of the Invention, the phrase "the designation of the second icon subsequent to the designation of the first icon" solely means an act of designating the function description icon by pressing it with a pointing device and dragging and releasing the icon onto the icon whose function needs to be described (hereinafter referred to as "press, drag and release").

Said phrase does not include an act of designating the function description icon by pressing it with a pointing device, displaying some indication in response to the designation, such as "?" mark beside the cursor, or designating the icon whose function needs to be described by pressing it with the pointing device (hereinafter referred to as "click, balloon popup, and click").

On September 17, 2003, the appellee requested a trial for correction of the Description because the appellee was hoping to narrow the scope of the claims and explain unclear statements (Exhibit Otsu No. 10). Specifically, said request was made in order to correct the claims related to Invention 1 and Invention 3 in such a way that the "control means" clearly includes both "press, drag and release" and "click, balloon popup, and click." In response, the Japan Patent Office (JPO) issued a notice of reasons for refusal of correction by stating that the description and drawing attached to the application only specifies the "press, drag and release" method concerning the "control means" (Exhibit Otsu No. 11). This incident clearly shows that the phrase "the designation subsequent to [...]" included in said claim solely means "press, drag and release" and does not include "click, balloon popup, and click."

In the case of the computer onto which the appellant's product has been installed, the actions and displays related to the help function use the method of "click, balloon popup, click." Therefore, the help function of the computer onto which the appellant's product has been installed does not fulfill the constituent features of the Invention, namely, "the designation subsequent to [...]" specified in 1-C, 2-B, and 3-C.

#### (2) Issue 2 (Establishment of indirect infringement)

In the case of the computer onto which the appellant's product has been installed, the help function is made available by the API function contained in the appellant's product, which executes Winhlp32.exe contained in the operating system (OS). The API function has been widely publicized by Microsoft and through various publications, and is used by computer programmers around the world in order to make various application software programs. The API function may be regarded as being nothing but a general-purpose product, like a screw, widely used by computer programmers engaged in software development.

Thus, Winhlp32.exe, which is not contained in the appellant's product, directly provides the technical means unique to the Invention. Since the API function, which is contained in the appellant's product, is merely a general-purpose product, the appellant's product is not essential for solving the problems to be solved by the Invention.

#### (3) Issue 3 (Restrictions on the exercise of the Patent Right)

Regarding the Patent, there are grounds for invalidation due to the lack of novelty or

inventive step in the Invention as follows, and the Patent should be invalidated by a patent invalidation trial. Accordingly, the appellee shall not be allowed to exercise the Patent Right against the appellant based on Article 104-3, paragraph (1) of the Patent Act.

A. The Invention is the same as the one presented in Fred Stauder, "Hyper Tools for Hyper Programmers" (MacTutor, the issue of July 1988) (Exhibit Otsu No. 12-1; Exhibit Ko No. 19 is a complete translation of Exhibit Otsu No. 12-1; hereinafter referred to as "Otsu Document No. 12") (hereinafter, said invention shall be referred to as "Invention Otsu No. 12").

"Hyper tool" is a tool useful to develop "Stack (book shelf)." Execution of Hyper Tool 1 would display a stack containing 16 tools on the left side of the screen. Each tool is displayed with a picture on the upper side and letters on the lower side. The upper right portion of the screen displays a pictographic, traffic sign-like help icon that has a shape of white-hemmed black diamond with the mark "?" inside (Figure 1). The same indication would also be displayed if Hyper Tool 2 is executed (Figure 9). The user can activate the tool on the left side of the screen simply by clicking the icon (for instance, "Link a choice list" icon).

On the other hand, hyper tools have a built-in help function. By using this function, the user can quickly obtain information on various tools. The user can obtain information concerning a certain tool (for instance, "Link a choice list" icon) on the screen by clicking the help icon and, then, clicking the icon that corresponds to the relevant tool.

As far as hyper tools are concerned, the help icon corresponds to the "first icon," while the "Link a choice list" icon, etc., corresponds to the "second icon." Thus, the Invention is exactly the same as Invention Otsu No. 12 and therefore lacks novelty.

B. The Invention is the same as the invention presented in Denny Schlesinger, "Help Documentation System Review" (MacTutor, the issue of November 1987) (Exhibit Otsu No. 13-1; Exhibit Ko No. 20 is a complete translation of Exhibit Otsu No. 13-1; hereinafter referred to as "Otsu Document No. 13") (hereinafter, said invention shall be referred to as "Invention Otsu No. 13").

Otsu Document No. 13 describes, in detail, the technologies related to various help services, in particular, context sensitive help service (it is also called "help in context" or "context help").

Otsu Document No. 13 states that, if the user chooses the "help in context" menu item from the help menu and changes the pointer into the "?" pointer, and, then, for example, chooses an icon or the cut menu item, then the user can display the help information concerning said icon or said cut menu item.

Both the "help in context" menu item and the cut menu item may be regarded as

"icons."

The "help in context" menu item corresponds to the "first icon," while any icon displayed on the desktop or any menu item such as the cut menu item corresponds to the "second icon." Therefore, the Invention is exactly the same as Invention Otsu No. 13 and, therefore, lacks novelty.

C. The Invention is the same as the invention presented in the National Instrument, "LabVIEW, Science Software for Macintosh" (Exhibit Otsu No. 14-1 (published in 1986); Exhibit Otsu No. 19 (published in July 1988) is almost the same as Exhibit Otsu No. 14-1 in terms of content; hereinafter referred to as "Otsu Document No. 14") (hereinafter, said invention shall be referred to as "Invention Otsu No. 14"), the invention presented in the article by Michael Vose and Gregg Williams, "LabVIEW: Laboratory Virtual Instrument Engineering Workbench" (BYTE Magazine, the issue of September 1986) (Exhibit Otsu No. 15-1; Exhibit Otsu No. 20 is almost the same as Exhibit Otsu No. 15-1 in terms of content; hereinafter referred to as "Otsu Document No. 15") (hereinafter, said invention shall be referred to as "Invention Otsu No. 15"), and the invention related to "LabVIEW version 1.2" itself (hereinafter referred to as the "LabVIEW Invention") explained in the report dated March 29, 2005 (Exhibit Otsu No. 16, hereinafter referred to as "Report Otsu No. 16") prepared by a staff member of the appellant who operated "LabVIEW version 1.2," which was launched prior to the filing of the patent application (the one distributed in 1988 at the latest).

In sum, LabVIEW is a laboratory virtual instrument engineering workbench software product that operates on a Macintosh computer. The configuration of LabVIEW became publicly known in 1986 at the latest.

According to said publications, if the user of LabVIEW wants to obtain help information on a certain object, the user can display the help dialog box of LabVIEW by clicking the loupe icon in the tool palette and then clicking the object by using the loupe cursor. It is clear that the term "object" that can be clicked by the loupe cursor collectively refers to various indications displayed on the screen, including menu items, icons, buttons, and controls. Since "LabVIEW version 1.2" allows the user to read and print out digital information contained therein whenever the user wants, LabVIEW version 1.2 may be regarded as a publication specified in Article 29, paragraph (1), item (iii) of the Patent Act.

In this way, in the case of Invention Otsu No. 14, Invention Otsu No. 15, and LabVIEW Invention, the loupe icon corresponds to the "first icon," while the go button icon or any other object displayed on the screen corresponds to the "second icon." Thus, the Invention is exactly the same as the invention of the loupe-shaped help tool of

LabVIEW and therefore lacks novelty.

D. The Invention could have been easily made by any person skilled in the art based on the invention presented in the Japanese Patent Publication No. SHO 61-281358 (Exhibit Ko No. 13-25), which was cited in the documents submitted to the prior instance (hereinafter referred to as the "cited invention"), Invention Otsu No. 13, and the invention presented in Fred Stauder, HyperCard's User Friendly Programming (MacTutor, the issue of October 1987) (Exhibit Otsu No. 17-1, hereinafter referred to as "Otsu Document No. 17") (hereinafter, said invention shall be referred to as "Invention Otsu No. 17").

According to Otsu Document No. 13, there are three methods to activate the help desk accessory: (i) activating it through the Apple menu, (ii) using the "Command - ?" if the context help has been implemented, and (iii) pressing the help button in the alert box if the extended alert has been implemented.

According to Otsu Document No. 17, since "button" may be displayed on the screen in the form of an "icon," the help button in said alert box may also be regarded as an "icon."

In sum, these publications disclose that the keyboard key operation (press the command key and "?" simultaneously) is interchangeable with an icon (the help button in the alert box) as a means to activate the help desk accessory.

Therefore, since any person skilled in the art could have easily conceived of the Invention by combining the cited invention with Invention Otsu No. 13 and Invention Otsu No. 17, it is reasonable to conclude that the Invention lacks inventive step.

E. The Invention could have been easily made by any person skilled in the art based on the invention presented in Vicky Spilman and Eugene J Wong, "The HP NewWave Environment Help Facility" (published in August 1989) (Exhibit Otsu No. 18-1; Exhibit Ko No. 21 is a complete translation of Exhibit Otsu No. 18-1; hereinafter referred to as "Otsu Document No. 18") (hereinafter, said invention shall be referred to as "Invention Otsu No. 18") and the well-known art.

In sum, the HP NewWave environment is a computer application provided by Hewlett-Packard. The help function thereof is ingenious. Otsu Document No. 18 contains a description of the implementation of the function. According to Otsu Document No. 18, (i) The selection of the "Screen/Menu Help" item from the help pull-down menu would cause a shift to the "?" mode, (ii) The selection of an icon in the "?" mode would display the help information on the icon, and (iii) The selection of an icon in any mode other than the "?" mode would trigger the execution of the function of the icon.

A comparison with the Invention shows that the Screen/Menu Help item on the help pull-down menu corresponds to the "first icon," while any icon corresponds to the

"second icon."

Otsu Document No. 18 lists the pull-down menu items and icons as operable items without differentiating [the pull-down menu items from icons/them]. Said items and icons are the same in that they execute various functions upon a click with a mouse button or with a cursor although they are displayed on the screen in a different manner, i.e., one is displayed as menu items, while the other as icons.

According to Otsu Document No. 13 and Otsu Document No. 17, it is clear that menu items are interchangeable with icons.

Furthermore, Otsu Document No. 12, Otsu Document No. 14, and Otsu Document No. 15 disclose that the designation of the icon or item whose function needs to be described has to occur subsequent to the designation of the help icon.

In view of these facts, the "Screen/Menu Help items on the help pull-down menu" is interchangeable with the "first icon." Therefore, the Invention could have been easily made by any person skilled in the art based on Invention Otsu No. 18 and the well-known art disclosed in said publications.

F. The Invention could have been easily made by any person skilled in the art based on Invention Otsu No. 12, Invention Otsu No. 15, Invention Otsu No. 17, Invention Otsu No. 18, and the LabVIEW Invention.

(4) Issue 4 (Allegations or evidence advanced outside the appropriate time)

While the appellant newly submitted to this court additional allegations and evidence with regard to the fulfillment of the constituent features described in (1) above and the grounds for invalidation of the Patent described in (3) above, the appellee argues that said allegations and evidence should be dismissed for being advanced outside the appropriate time. In the prior instance of this case, although it took only about two months to complete the proceedings, from the day of the first oral argument (September 17, 2004) to the conclusion (November 30, 2004), the appellant submitted, together with the written reason for appeal, the allegations and evidence concerning the fulfillment of the constituent features and the grounds for invalidation of the Patent that were added in this court. The additional allegation concerning the fulfillment of the constituent features is merely a supplementation of the argument concerning the possibility of "dragging" or "moving" an "icon" that has been presented by the appellant previously. Moreover, the additional allegation concerning the grounds for invalidation of the Patent is an allegation made based on a document published in a foreign language at the time when the patent application was filed about 16 years ago. It took time to obtain such a document despite the appellant's sincere effort. In view of these circumstances, the submission of said additional allegations and evidence may not be regarded as being made outside the appropriate time.

Since said additional allegations may be proved by written evidence, it would not take a long time for examination. Therefore, the submission of such allegations and evidence may not be regarded as delaying the completion of the lawsuit.

Thus, said allegations and evidence submitted by the appellant should not be dismissed for being made outside the appropriate time.

6. Additional allegations submitted by the appellee to this court

(1) Issue 1 (Fulfillment of the constituent features)

The notice of reasons for refusal of correction issued by the JPO merely states that the claims after correction would not satisfy the specified requirements concerning the prohibition of the addition of a new item that must be satisfied before any correction is made. This does not have any effect on the interpretation of the constituent features of the invention described in the claims prior to correction.

(2) Issue 2 (Establishment of indirect infringement)

The appellant's additional allegation concerning indirect infringement is disputable.

(3) Issue 3 (Restrictions on the exercise of the Patent Right)

A. The Invention is not the same as Invention Otsu No. 12.

In other words, Otsu Document No. 12 does not state that the purpose of the second icon displayed on the "display screen" together with the first icon is to "trigger the execution of the predetermined information processing function" (Constituent features 1-A and 3-B). The purpose of the "Link a Choice List" tool shown in Figure 1 and Figure 9 of Otsu Document No. 12 is not to "execute the predetermined information processing function" due to the fact that, only after the installation of said tool in the stack that the stack developer is working on causes its icon to be displayed on the screen, said tool may perform its function upon a click on the icon, and that the execution of the function of said tool would be impossible until the completion of such installation.

Also, Otsu Document No. 12 does not state that the designation of the second icon would display a "functional description of the second icon" on said "display screen" (Constituent features 1-C and 3-C). Even if Invention Otsu No. 12 allows acquisition of the help information on the "Link a Choice List" tool, which, the appellant claims, corresponds to the second icon, it is not clear whether the acquired information is a "functional description of the second icon." Furthermore, Otsu Document No. 12 contains no statement whatsoever that the information is displayed on the "display screen" where said second icon is displayed and designated.

Moreover, Otsu Document No. 12 does not state that a "functional description of the second icon" would be displayed in response to the "designation of the second icon 'subsequent to' the designation of the first icon" (Constituent features 1-C and 3-C). In

sum, the Invention would not display the functional description of the second icon in response to the designation of the second icon after the designation of any indication that may not be regarded as the second icon because it would not constitute the "subsequent" designation of the second icon. On the other hand, Otsu Document No. 12 simply states "Click the help icon and click any of the tool icons presented" and does not contain any statement about said control flow.

B. The Invention is not the same as Invention Otsu No. 13.

Otsu Document No. 13 does not state that the "first icon that triggers the execution of the function of displaying a functional description of an icon" would be displayed on the "display screen" together with the second icon (Constituent features 1-A and 3-B). The "Help in Context" command on the pull-down menu shown in Figure 1 would display the edit screen of the "help in context message" and allow the preparation and editing of a message. Since said command would not display a description of the "cut" command on said menu, said command would not cause the "execution of the function of displaying a functional description of an icon." Furthermore, the "Propeller-shaped sign, ?" indicated on said "Help in Context" command is merely a "sign" and not a "picture or pictograph." Therefore, said command may not be regarded as an "icon."

Otsu Document No. 13 does not state that a "functional description of the second icon" would be displayed on said "display screen" in response to the designation of the second icon (Constituent features 1-C and 3-C). "Context sensitive help" would merely bring the "help desk accessory" to the application program and give it the "parameter showing which message should be displayed." No disclosure has been made with regard to what message the "help desk accessory," which is given said "parameter," would display in what manner.

Otsu Document No. 13 does not state that a "functional description of the second icon" is displayed in response to the "designation of the second icon 'subsequent to' the designation of the first icon" (Constituent features 1-C and 3-C). Otsu Document No. 13 merely states that "Context sensitive help is implemented in two stages" and does not refer to the "first icon" as mentioned above.

C. The appellant's allegation that the Invention lacks novelty based on Invention Otsu No. 14, Invention Otsu No. 15, and the LabVIEW Invention is unreasonable

(A) Otsu Document No. 14, Otsu Document No. 15, and "LabVIEW version 1.2" themselves may not be regarded as "publications distributed prior to the filing of the patent application" specified in Article 29, paragraph (1), item (iii) of the Patent Act.

Since Otsu Document No. 14 is marked by an English word "Confidential," a part of which is unreadable, Otsu Document No. 14 is not a reproduced document for the purpose

of publication and therefore not a "publication" specified in Article 29, paragraph (1), item (iii) of the Patent Act.

In the case of Otsu Document No. 15, the uppermost part of the first page carries the statement "Reprinted with permission from the September 1986 issue of BYTE magazine." However, it is not certain in which publication Otsu Document No. 15 was published and when the publication was distributed. It is also uncertain whether the content of Otsu Document No. 15 was published without any change in the BYTE magazine issued in September 1986. Therefore, Otsu Document No. 15 may not be regarded as a "publication distributed prior to the filing of the patent application" specified in Article 29, paragraph (1), item (iii) of the Patent Act.

Moreover, the LabVIEW Invention, i.e., "LabVIEW version 1.2" described in Report Otsu No. 16 is a program that needs to be installed onto a Macintosh computer in order to be operated. It is not a document that conveys information to human readers and therefore may not be regarded as a publication. Since there is no evidence to prove that LabVIEW version 1.2 was distributed prior to the filing of the patent application, it may not be regarded as a "publication distributed prior to the filing of the patent application" specified in Article 29, paragraph (1), item (iii) of the Patent Act.

(B) The Invention is not the same as Invention Otsu No. 14 and Invention Otsu No. 15.

Otsu Document No.14 does not state that the first icon, which "triggers the display of a functional description of an icon," would be displayed on the "display screen" together with the second icon (Constituent features 1-A and 3-B). This is because it is uncertain whether an "object" may be regarded as an "icon [...] that triggers the execution of the predetermined information processing function," which makes it uncertain whether the "loupe icon" "triggers the display of a functional description of an icon." Otsu Document No. 14 merely states that "the Help Dialog Box appears" and does not specify when and how it would appear. This means that Otsu Document No. 14 does not contain a statement on the display of a "functional description of the second icon" on said "display screen" in response to the designation of the second icon (Constituent features 1-C and 3-C). Moreover, based on Otsu Document No. 14, it may be interpreted that, after a shift to the "loupe icon" mode, the display of information on various objects would continue. Therefore, it is reasonable to conclude that Otsu Document No. 14 does not state that a "display of a functional description of the second icon" would be triggered by the "designation of the second icon 'subsequent to' the designation of the first icon" (Constituent features 1-C and 3-C).

Regarding the "loupe-shaped help tool" described in Otsu Document No. 15, even if said tool is designed to "display tutorial information" in general, it is not certain whether

the tool is designed to "display a functional description of an icon." Also, Otsu Document No. 15 does not clearly state whether the "feature [...] clicked by using it" corresponds to the "icon [...] that triggers the execution of the predetermined information processing function." Therefore, it is reasonable to conclude that Otsu Document No. 15 does not state that the first icon, which "triggers the display of a functional description of an icon," and the second icon, which "triggers the execution of the predetermined information processing function," would be displayed on the "display screen" (Constituent features 1-A and 3-B). Furthermore, Otsu Document No.15 does not clearly state whether a "functional description of the icon" would be displayed directly on the same "display screen," if a user who wants to obtain information on the function of a certain icon designates the relevant icon on the "display screen," on which the help icon is displayed. Therefore, it is reasonable to conclude that Otsu Document No. 15 does not state that a "functional description of the second icon" would be displayed on said "display screen" in response to the designation of the second icon (Constituent features 1-C and 3-C). Furthermore, according to Otsu Document No. 15, it may be interpreted that, after a shift to the "loupe-shaped help tool" mode, the display of tutorial information on various features of LabVIEW would continue. Therefore, it is reasonable to conclude that Otsu Document No. 15 does not state that the "display of a functional description of the second icon" would be triggered by the "designation of the second icon 'subsequent to' the designation of the first icon" (Constituent features 1-C and 3-C).

D. The Invention could not have been easily made by any person skilled in the art based on the cited invention, Invention Otsu No. 13, and Invention Otsu No. 17.

According to Otsu Document No. 13, the keyboard operation of "Command-?" triggers the execution of the "Context sensitive help." On the other hand, an act of clicking on the "help" button triggers the execution of "extended alert." Since these actions trigger a completely different function from the viewpoint of users, they are not interchangeable. In view of the fact that, according to Otsu Document No. 13, the "cancel" button and the "OK" button displayed in the alert box (Figure 27 of Exhibit Ko No. 18) are mere "characters" with no design quality and are not "pictures or pictographs." Therefore, it is reasonable to interpret that the "help" bottom displayed in addition to these buttons is similar to them. Thus, the appellant's allegation based on Otsu Document No. 13 is unreasonable.

E. The Invention could not have been easily made by any person skilled in the art based on Invention Otsu No. 18 and well-known art.

(A) Otsu Document No. 18 refers to the "Screen/Menu Help" item on the help pull-down menu, but does not refer to the "first icon that triggers the execution of the function of

displaying a functional description of an icon" of the Invention (Constituent features 1-A and 3-B) (hereinafter referred to as "Difference A"). In other words, Otsu Document No. 18 states that the "Screen/Menu Help" item is included in the help pull-down menu in order for the user to shift into the "?" mode, which displays information (help topics) on the item selected in the application window. However, since an item on the pull-down menu may not be regarded as an "icon," it is reasonable to conclude that Otsu Document No. 18 does not refer to the "first icon that triggers the execution of the function of displaying a functional description of an icon" of the Invention.

The configuration of the Invention related to Difference A could not be easily conceived of by any person skilled in the art as described below.

The help system described in Otsu Document No. 13 is designed to be used for Macintosh of Apple Inc., while the help system described in Otsu Document No. 18 is designed to be used for Microsoft Windows. Since the time before the filing of the patent application, these two products had been well known as competing products dividing the computer industry into two groups.

Both Otsu Document No. 13 and Otsu Document No. 18 present the following technical idea. When using the user interface of the help system of the application program that has been installed onto the computer, any user who wants to use the help function directly from an application screen has to use the "pull-down menu," which requires clicking at least two times because the to-be-clicked menu item is not displayed directly on the screen. On the other hand, any user who wants to activate the help function by using a dialog box displayed on the screen when the application shifts into a certain mode has to use a "button," which is a to-be-clicked button directly displayed on the screen.

From the viewpoint of any person skilled in the art around the time of filing of the patent application, it was commonly believed that it was a de facto standard in the relevant technical field to emulate the technical approach presented in Otsu Document No. 13 and Otsu Document No. 18, which adopts a similar user interface as described above. Since said two Documents were considered to belong to each of the two major groups respectively that were competing with each other at that time, it must have been extremely difficult, from the viewpoint of any person skilled in the art, to arrive at the idea embodied in the Invention, namely, the adoption of a configuration that uses the "first icon," which is a to-be-clicked icon directly displayed on the screen, which was contrary to the conventional approach mentioned above.

Otsu Document No. 18 states that either a "menu item" or an "icon" (corresponding to the "second icon" of the Invention) may be selected after a click on the "Screen/Menu

Help" item. Even though the interchangeability between the "second icon" and the "menu item" is indicated, this should not be interpreted as an indication of interchangeability between the "first icon" and the "menu item" since the "first icon" of the Invention is completely different from the "second icon" in nature.

"Menu item" and "icon" are the same in terms of their role in triggering the execution of various functions upon clicking by a mouse button or by a cursor. However, these two are completely different from the viewpoint of user operability. While a "menu item" requires the user to click two times or more in difference places in order to select something that is not directly displayed on the screen, an "icon" allows the user to click on something that is displayed directly on the screen.

Otsu Document No. 13 and Otsu Document No. 17 merely indicate that the same function could be assigned to a "menu item" and a "keyboard key" and that a "button" may be turned into an "icon" by drawing a "picture or pictograph." Neither of these two documents indicates the interchangeability between "menu item" and "icon."

(B) According to Otsu Document No. 18, the "Screen/Menu Help" item is displayed only when the user opens the help pull-down menu and is not displayed when the user clicks on an icon. Therefore, it is reasonable to conclude that Otsu Document No. 18 does not state that "the first icon and [...] the second icon" are displayed on the "display screen" where an icon may be designated, as is the case of the Invention (Constituent feature 1-A and 3-B) (hereinafter referred to as "Difference B").

In other words, the Invention provides the user interface that displays "the first icon and [...] the second icon" on the "display screen" where an icon may be designated and allows the user who wants to know the function of a certain icon to directly designate the icon on the "display screen" where the help icon is displayed and have a functional description of the icon displayed.

On the other hand, according to Otsu Document No. 18, the "Screen/Menu Help" item would be displayed only when the user opens the help pull-down menu. The "Screen/Menu Help" item disappears from the screen once the user selects the "Screen/Menu Help" item from the pull-down menu. In sum, when the user intends to click on an icon displayed on the display screen, since the icon is not an item on the pull-down menu, the pull-down menu is always closed. At this time, the "Screen/Menu Help" item is not displayed on the screen.

In this respect, Difference B shows that user interface would be significantly different depending on whether the user, who wants to use the help function to trigger the execution of the "function of displaying a functional description of an icon," uses the pull-down menu as stated in Otsu Document No. 18 or uses the "first icon" of the

Invention. As described in detail in connection with Difference A above, since it is not easy to conceive of the "first icon" of the Invention based on the Otsu Document No. 18, which adopts the "pull-down menu" approach, it is not easy to conceive of the configuration of the Invention related to Difference B based on Otsu Document No. 18.

(C) According to Otsu Document No. 18, in order to exit the "?" mode without displaying the help window, the user must select the "Cancel Help" item from the help pull-down menu. Therefore, it is reasonable to conclude that Otsu Document No. 18 does not refer to the control flow (Constituent feature 1-C and 3-C) to display a functional description "in response to the designation of the second icon 'subsequent to' the designation of the first icon," which is adopted by the Invention (Hereinafter referred to as "Difference C").

As is the case with the Invention, if the help function, which triggers the execution of the "function of displaying a functional description of an icon" and which needs to be designated prior to the designation of the icon whose function needs to be described, is implemented as the "first icon," which is a to-be-clicked icon displayed directly on the screen, but not as a pull-down menu item, it could increase the risk of erroneous designation of the first icon by the user.

In the case of the Invention, even if the second icon is designated subsequently to the designation of any indication that may not be regarded as the second icon, a functional description of the second icon would not be displayed because the designation does not constitute the "subsequent" designation of the second icon. Consequently, erroneous designation as mentioned above would not trigger the unwanted display of a functional description. This would save the user taking a special action such as pressing the ESC button as a result of such erroneous designation.

On the other hand, according to Otsu Document No. 18, which adopts the "pull-down menu" approach, it is impossible to exit the "?" mode without displaying the help window unless the user conducts a special operation, namely, opening the pull-down menu once again and selecting the "Cancel Help" item.

Such configuration of the Invention related to Difference C could not be easily conceived of based on Otsu Document No. 18.

F. It is disputable that the Invention could have been easily made by any person skilled in the art based on Invention Otsu No. 12, Invention Otsu No. 15, Invention Otsu No. 17, Invention Otsu No. 18, and the LabVIEW Invention.

(4) Issue 4 (Allegations or evidence advanced outside the appropriate time)

While the appellant newly submitted to this court additional allegations and evidence with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent, said allegations and evidence should be dismissed for being advanced outside the

appropriate time.

On February 7, 2001, the appellee sent a written warning to the appellant based on the Patent Right and tried to solve the problem through negotiations. Having been rejected, the appellee filed a request on November 7, 2002 for provisional disposition (hereinafter referred to as "previous provisional disposition"), seeking an injunction against infringement in connection with another software program (Product name: Justhome 2 Kakeibo Pack; hereinafter referred to as "previous product") that the appellant was engaged in producing, assigning, etc., or offering for assignment, etc. Subsequently, while this request was withdrawn, the appellant filed a lawsuit in August 2003, seeking a declaration of the nonexistence of the right to seek an injunction based on the Patent Right. In October 2003, the appellee filed a counterclaim, seeking an injunction against patent infringement. Consequently, a dispute arose between the appellant and the appellee (Tokyo District Court, 2003 (Wa) 18830 and 24798; hereinafter referred to as the "previous lawsuit"). On August 31, 2004, the court handed down a judgment against the appellee on the grounds that the Patent Right was not infringed. This judgment was finalized. Shortly prior to the rendering of said judgment, on August 15, 2004, the appellee filed this lawsuit by changing the product in dispute to the appellant's product. On November 30, 2004, the oral argument was completed. On February 1, 2005, the court handed down a judgment in prior instance in favor of the appellee.

The above-described historical background of this lawsuit reveals that the judgment in prior instance was handed down about four years after the issuance of a written warning based on the Patent Right and that, to the extent that the proceedings related to the Patent Right at the Tokyo District Court are concerned, it was more than two years after the filing of a request for previous provisional disposition that the oral argument for the prior instance was completed. During the pending period, the appellant was given sufficient opportunities for interpretation of claims and research on publicly-known documents, etc.

Furthermore, in the previous lawsuit, the court took into consideration not only the previous product but also the appellant's product and issued a conciliation recommendation to the effect that the appellant shall pay a certain amount.

This means that, in the prior instance, although the appellant realized that the evidence submitted to the prior instance was insufficient as a means of defense and was given an opportunity to make an argument based on newly submitted publicly-known documents, etc., the appellant gave up the opportunity and let the case close. It must be said that such submission made outside the appropriate time frame is attributable to the intention or, at least, the gross negligence on the part of the appellant. Moreover, it is obvious that the additional allegations and evidence newly submitted to this court by the appellant would

cause a delay in closing this case. Therefore, said allegations and evidence submitted by the appellant should be dismissed for being made outside the appropriate time.

### No. 3 Judgment of this court

#### 1. Issue 1 (Fulfillment of the constituent features)

At the time of filing the patent application, "icon" was generally understood as a "picture or pictograph displayed on the display screen in order to represent various data and various processing functions." It is enough if the "icon" related to the Invention is a picture or pictograph displayed on the display screen in order to represent various data and various processing functions and to process commands, and there are no grounds to impose stricter requirements that an "icon" must be able to be dragged or moved or be placed on the desktop. As far as the appellant's product is concerned, the "help mode" button and any button that may be selected at the discretion of a user who wants to trigger the execution of an information processing function (hereinafter referred to as "information processing button") may be regarded as said "icon" that falls within the scope of patent claims of the Invention. Thus, this court also judges that the computer onto which the appellant's product has been installed and the use thereof fulfill the constituent features of Invention 1, Invention 2, and Invention 3, respectively, and fall within the technical scope thereof. The reasons are the same as those stated in items 1 and 2 of "No. 4 Judgment of this court" in the "Facts and Reasons" section of the judgment in prior instance, except for the following additions and corrections. Therefore, we cite them for this section.

#### (1) Significance of the "second icon" in the Invention

The configuration of the Invention consists of "displaying the second icon on the display screen in order to trigger the execution of the predetermined information processing function" and "displaying a functional description of said second icon on the display screen" ([Claim 1] to [Claim 3]). In this respect, in the "Detailed explanation of the invention" section of the Description, it is stated, with regard to the " problems to be solved by the Invention," that, "by this (conventional) method, the user cannot receive the function description service if he/she cannot remember or come up with a keyword (line 10 to line 13 of Section 3 of the Gazette). It is also stated, with regard to the "means to solve the problems," that "in order to solve this problem, the Invention has adopted a configuration characterized by having (i) a display means to display on the display screen the first icon, which triggers the execution of the function of displaying a functional description of an icon, and the second icon, which triggers the execution of the predetermined information processing function, (ii) a designation means to designate an icon displayed on the display screen of said display means, and (iii) a control means to display a functional description of the second icon on the display screen of said display means in response to the designation of

the second icon subsequent to the designation of the first icon by said designation means." (line 14 to line 23 of said section). It is also stated, with regard to "action," that "by means of this configuration, if the user wants to obtain a functional description of the second icon, which represents the predetermined information processing function, the user can obtain a functional description of the second icon by directly designating the second icon subsequently to the designation of the first icon (line 24 to line 28 of said section). It is also stated, as an explanation of Figure 1 (the figure of the function block of the information processing device used in Embodiment 1 of the Invention; page 3 of the Gazette), that "4 is a screen information memory unit that records the location and size of each window on the screen. 5 is a window information memory unit, which records the information displayed in each window such as what information is displayed in which part of each window. 6 is an analyzing unit that analyzes by which parameter the function description application has been designated. Based on the location of the mouse cursor, the analyzing unit determines what is designated as a subject matter that needs to be described with reference to Window Information Memory Unit 5." (line 47 of Section 3 to line 5 of Section 4 of the Gazette). It is stated, as an explanation of Figure 2 (the flowchart of the control procedure in said embodiment; page 4 of the Gazette), that "Releasing of a button on Pointing Device 2 in Step S4 would cause a shift to Step S5. Based on the data of the location of the icon, at the time of the release of the button, that triggers a functional description and the data obtained from Window Information Memory Unit 5, the type of function that needs to be described is identified. Then, the function description application would be activated to provide a functional description." (line 21 to line 27 of Section 4 of the Gazette). Furthermore, it is stated, as an explanation of Figure 3 (a figure showing multiple home menus and the icon-shaped function description application presented on a drawing; page 4 of the Gazette), that "a window is opened as shown in Figure 3. At this time, as screen information, information on the location, size, etc., of the window is recorded. In the window, multiple rectangular-shaped home menus are displayed. At this time, the function description application would be displayed in the form of an icon as indicated by a circle. By moving Pointing Device 2, the user places the mouse cursor indicated by an arrow on the function description icon indicated by a circle. Then, the user presses a mouse button to drag said icon onto the object that needs to be described, and releases the mouse button. For example, it may be moved onto the telecommunications icon. Based on the information on the screen, the window, the position of the mouse cursor as of the commencement of the action of dragging, and the distance of dragging, the analyzing unit determines which object on the screen was selected. Based on this information, the analyzing unit can activate the function description application and give the parameter." (line 31 to line 47 of Section 4 of the

Gazette). It is stated, as an explanation of Figure 4 (a figure showing the text of a description of the telecommunications function on the screen; page 5 of the Gazette), that "as shown in Figure 4, the text of a description of the telecommunications function, for example, is displayed in the window." (line 47 to line 49 of said section). In light of these statements of the Description as described above, it is reasonable to interpret that, in the case of the Invention, an action of "displaying on the display screen the second icon, which triggers the execution of the predetermined information processing function" and "displaying on the display screen a functional description of said second icon" may be regarded as conducting the actions of displaying on the display screen multiple icons that trigger the execution of information processing functions and displaying a functional description of the icon that has been arbitrarily selected from among those multiple icons.

(2) Buttons on the display screen of the appellant's product

Regarding the items mentioned in (1) above, the following findings can be made with regard to the appellant's product. In the toolbox placed in the upper part of the document editing screen shown in attached Product List A (Product name: Ichitaro) and the toolbox placed in the upper part of the graphic editing screen shown in attached Product List B (Product name: Hanako), multiple buttons are displayed to trigger the execution of information processing functions. Each of the said Product Lists shows the case where the selection of "print" button from said multiple buttons triggers the display of a functional description on the screen. Based on the entire import of the oral argument, a functional description would be displayed on the screen not only when the "print" button is selected but also when an information processing button is selected.

(3) Correction of the judgment in prior instance

The term "'print' button" on the fifth line from the bottom of page 30 of the judgment in prior instance shall be replaced with "information processing button." The phrase on the third line from the bottom of page 30 to line 2 of page 31 of said judgment shall be replaced with "the user who has received an assignment etc.('??), of the appellant's product uses the appellant's product by installing it onto a computer. In the toolbox of the appellant's product's editing screen displayed on the screen of the activated computer, the "help mode" button, which bears a "?" mark combined with a "mouse" mark, as well as multiple information processing buttons that trigger the execution of information processing functions are displayed. If the user clicks the mouse on the "help mode" button and subsequently clicks the mouse on an information processing button arbitrarily selected from said multiple information processing buttons, the user can obtain a display of the text of a description of the information processing function to be triggered by said information processing button. If the "print" button, which is one of the information processing buttons,

is selected as an example, the help function-related actions and displays on the computer onto which the appellant's product has been installed are the same as those stated in attached Product Lists A and B. These buttons represent various data and various processing functions in the form of pictures or pictographs displayed on the display screen in order to process commands. Therefore, the "help mode" button and information processing buttons of the appellant's product may be regarded as "icons" that fall within the scope of the claims of the Invention." The phrase "fulfillment of the constituent features of the computer onto which appellant's product has been installed" on line 3 of page 31 of said judgment shall be replaced with "fulfillment of the constituent features of the computer onto which appellant's product has been installed and the use thereof." The term "'print' button" in (1) to (3) from line 4 of page 31 to line 3 of page 33 of said judgment shall all be replaced with "information processing button."

(4) Judgment on the appellant's additional allegation submitted to this court

The appellant argues that, according to the notice of reasons for refusal of correction issued by the JPO in response to the appellee's request for trial for correction of the Description of the Invention, it is clear that the "designation of the second icon subsequent to the designation of the first icon" solely means an "act of designating the function description icon by pressing it with a pointing device and dragging and releasing of the icon onto the icon whose function needs to be described. (press, drag, and release) and does not mean an "act of designating the function description icon by pressing it with a pointing device, displaying some indication in response to the designation, such as "?" mark beside the cursor, and designating the icon whose function needs to be described by pressing it with the pointing device (click, balloon popup, and click)". The appellant claims that, in the case of a computer onto which the appellant's product has been installed, the help function, which adopts the latter method, does not fulfill said constituent features.

In response to this, the appellee alleges that the above-mentioned appellant's allegations should be dismissed for being made outside the appropriate time. As held in 4 below, the appellee's allegation is unreasonable. It should be noted, first of all, that said appellee's request for trial for correction and the content of the notice of reasons for refusal of correction issued by the JPO do not affect the interpretation of the constituent features of the Invention in this lawsuit (on December 18, 2003, the appellee withdrew said request for trial for correction [Exhibit Ko No. 17]). Furthermore, none of the statements contained in the "Scope of Claims" of the Invention as well as in the "Means to solve the problems," "Action," "Effect of the invention," etc., in the section "Detailed explanation of the invention" of the Description (Exhibit Ko No. 13-13) provides grounds for interpreting that the constituent feature of the Invention, i.e., "the designation of the second icon subsequent

to the designation of the first icon" as mentioned above, solely means the appellant's-claimed "press, drag, and release."

The section "Embodiments" in said "Detailed explanation of the invention" contains the statement that "By moving Pointing Device 2, the user places the mouse cursor indicated by an arrow on the function description icon indicated by a circle. Then, the user presses a mouse button to drag said icon onto the object that needs to be described, and releases the mouse button" (line 37 to line 41 of Section 4). This shows that while an embodiment is presented for the appellant's-claimed "press, drag, and release" method, no embodiment is presented for the "click, balloon popup, and click" method. However, the presentation of said embodiment should be interpreted as mere presentation of one of the embodiments of the Invention. Therefore, it is reasonable to conclude that the fact that only the "press, drag, and release" method as mentioned by the appellant is presented as an embodiment does not necessarily mean that the Invention is limited to such method.

On these grounds, said appellant's allegation is unacceptable.

## 2. Issue 2 (Establishment of indirect infringement)

### (1) Introduction

The Invention is not an invention related to a "machine-readable recording medium in which a program is recorded" or a "program itself" but is an invention related to an "information processing device" or "information processing method" (an application for the Invention was filed on October 31, 1989, which was not only prior to the revision of the Patent Act [enforced on September 1, 2002] by Act No. 24 of 2002, which explicitly specifies that a program not recorded in a recording medium may in itself be protected under the Patent Act but also prior to the commencement of the JPO' practice of recognizing the patentability of "machine-readable recording medium in which a programs is recorded" under the "Examination Practice Guidelines for Specific Technical Fields" publicized in February 1997 and the patentability of a "program itself" under the "Revised Examination Guidelines for Patents and Utility Models" publicized in December 2000.). On the other hand, the appellant's product is, as described in attached Product Lists A and B, a document preparation software (Japanese word processor software "Ichitaro") and graphic creation software (comprehensive graphics software "Hanako"). Therefore, the appellant's act of producing, assigning, etc., or offering for assignment, etc., the appellant's product does not constitute direct infringement of the Patent Right to the Invention, which is an invention of "information processing device" or "information processing method." Thus, the question in this case would be whether such an act constitutes indirect infringement.

Article 101 of Patent Act, which was revised by Act No. 24 of 2002 (enforced on January 1, 2003), is a provision concerning indirect infringement. Said revision newly established item

(ii) of said Article to the effect that "where a patent has been granted for an invention of a product, an act of producing, assigning, etc., importing or offering for assignment, etc. any product (excluding those widely distributed within Japan) to be used for the producing of the said product and indispensable for the resolution of the problem by the said invention as a business, knowing that the said invention is a patented invention and the said product is used for the working of the invention" constitutes infringement of a patent right, etc. Similarly, item (iv) of said Article was also newly established to the same effect concerning the case where a patent has been granted on an invention of a process.

The appellee argues that a user's act of purchasing the appellant's product and installing it onto a computer constitutes an act of producing a product related to Invention 1 or Invention 2, that a user's act of using the computer onto which appellant's product has been installed constitutes an act of using the method related to Invention 3, and, therefore, that the appellant's act of engaging in the business of manufacturing, assigning, etc., or offering for assignment, etc. the appellant's product constitutes indirect infringement of Inventions 1 and 2 under Article 101, item (ii) of the Patent Act and indirect infringement of Invention 3 under item (iv) of said Article. This court will examine this argument of the appellee below.

(2) Establishment of indirect infringement of Invention 1 and Invention 2 under Article 101, item (ii) of the Patent Act

A. As described in 1 above, a "computer onto which the appellant's product has been installed" fulfills the constituent features of Inventions 1 and 2. The appellant's product is used for the production of said computer. In sum, the completion of the production of a "computer onto which the appellant's product has been installed," which fulfills the constituent features of Inventions 1 and 2, requires the installation of the appellant's product, which causes the installation of the entire program including the help function onto the computer. Therefore, the installation of the appellant's product may be regarded as the production of said computer.

According to the statement presented in the "Detailed explanation of the invention" section of the Description, Inventions 1 and 2 solved the problem, i.e., "by this (conventional) method, the user cannot receive the function description service if he/she cannot remember or come up with a keyword" (line 10 to line 13 of Section 3 of the Gazette), by adopting "a configuration characterized by having a display means to display on the display screen the first icon, which triggers the execution of the function of displaying a functional description of an icon, and the second icon, which triggers the execution of the predetermined information processing function, a designation means to designate an icon displayed on the display screen of said display means, and a control means to display a functional description of the second icon on the display screen of said

display means in response to the designation of the second icon subsequent to the designation of the first icon by said designation means." (line 14 to line 23 of said section). In the case of a "computer onto which the appellant's product has been installed," said configuration may not be created without the installation of the appellant's product. Therefore, it is reasonable to conclude that the appellant's product is indispensable for Inventions 1 and 2 to solve the problems.

It is reasonable to interpret that the phrase "those widely distributed within Japan" contained in Article 101, item (ii) of the Patent Act refers to such typical products as screws, nails, electric bulbs, transistors, etc., which are widely distributed in Japan, in other words, which are not special order products but are standard products or widely-used products that are versatile and generally available in the market. In this case, if the appellant's product including the help function is installed, it would result in the completion of the production of a "computer onto which the appellant's product has been installed" that fulfills the constituent features of Inventions 1 and 2 without fail. Since a part of the appellant's product is used solely for the purpose of producing a product that has the configuration of Inventions 1 and 2, the appellant's product should not be regarded as "those widely distributed within Japan" as stated in said item.

The appellant's product is mainly used by individual users solely for the purpose of their personal or home use. However, the use of the appellant's product cannot be limited to such usage. It is obvious to this court that the appellant's product is also used by companies, etc., installing it onto computers in the course of trade. Therefore, it is unreasonable to deny the possibility that the appellant's act of producing, assigning, etc., or offering for assignment, etc. the appellant's product constitutes indirect infringement specified in Article 101, item (ii) of the Patent Act, not only from the perspective of the so-called independent theory, which supports the possibility of the establishment of indirect infringement regardless of whether direct infringement has been committed, but also from the perspective of the so-called dependent theory, which considers that the establishment of indirect infringement depends on the establishment of direct infringement.

B. Regarding the points mentioned above, the appellant argues that the help display program, etc., that the appellee has found problematic is a function of the operating system called Microsoft Windows, and that said function may be used when another application software is running. The appellant further alleges that, regardless of whether the appellant's product has been installed or not, it is possible to use the function that "allows the users to designate the 'help mode' button and subsequently designate another button in order to display a description of said another button." On these grounds, the

appellant alleges that the appellant's product is not indispensable for the Invention to solve the problems.

According to the evidence (Exhibit Otsu No. 16), the function stated in attached Product Lists A and B take advantage of the function of the execution files such as "Winhlp32.exe" that are provided by the operating system called Microsoft Windows. However, although this court finds that said function is available on a computer onto which the appellant's product has been installed, there is no sufficient evidence, in this case, to prove that said function is available on a computer onto which the appellant's product has not been installed. Therefore, it is reasonable to conclude that the function stated in said Product Lists becomes available only on a computer onto which the appellant's product has been installed. In other words, said function becomes available only when the program of the appellant's product is used in combination with an execution file such as "Winhlp32.exe". Therefore, the appellant's product should be found to be indispensable for Inventions 1 and 2 to solve the problems. On these grounds, said appellant's allegation is unacceptable.

C. Furthermore, the appellant claims that the help function available on the computer onto which the appellant's product has been installed cannot be provided without the execution of "Winhlp32.exe" in the operating system (OS) by the API function contained in the appellant's product. Since the API function has been widely available and is merely a general-purpose tool for software development, the appellant's product is not indispensable for the Invention to solve the problems.

However, as found in item B above, the function stated in attached Product Lists A and B becomes available only on the computer onto which the appellant's product has been installed and thus it is obvious that the appellant's product is indispensable for Inventions 1 and 2 to solve the problems.

It is clear to this court that the API function generally means a function that allows an application software program to activate a function of the operating system (OS) (Application Program Interface). Even if the API function contained in the appellant's product has been widely available for software development as pointed out by the appellant, this does not necessarily mean that the appellant's product itself may be regarded as a product "widely distributed within Japan," which is excluded from the products protected against indirect infringement under Article 101, item (ii) of the Patent Act. On these grounds, the abovementioned appellant's allegation is not acceptable either.

D. Next, this court will discuss the subjective criteria for indirect infringement specified in Article 101, item (ii) of the Patent Act.

The appellee alleges that, since the time when the appellee delivered a written request

for the previous provisional disposition with regard to the previous product that was filed on November 7, 2002, at the latest, the appellant has been aware of the fact that the Invention is a patented invention of the appellee and that the appellant's product would be used for the working of the Invention. Since it is clear from the allegation itself that the subject matter of the previous provisional disposition is not the appellant's product, we must say that the allegation itself is unreasonable. However, in relation to a request for an injunction, the subjective criteria for the abovementioned indirect infringement should have been met at the end of the oral argument conducted in the course of the fact-finding proceedings for the lawsuit to seek an injunction. In light of the entire import of the oral argument, said claim of the appellee may be interpreted as covering such object. In this case, it is reasonable to conclude that, on August 13, 2004, at the latest, which is clearly recorded as the day of delivery of the complaint, the appellant became aware of the facts that Inventions 1 and 2 were patented inventions of the appellee and that the appellant's product would be used for the working of said invention.

E. On these grounds, the appellant's act of manufacturing, assigning, etc., or offering for assignment, etc., in the course of trade, the appellant's product constitutes indirect infringement of the Inventions 1 and 2 under Article 101, item (ii) of the Patent Act.

(3) The establishment of indirect infringement on Invention 3 under Article 101, item (iv) of the Patent Act

As mentioned in 1 above, in the case of a "computer onto which the appellant's product has been installed," if the user activates "Ichitaro" or "Hanako" and creates the state described in the "Function" section in attached Product Lists A and B, the constituent features of Invention 3, which is an invention of a process, would be fulfilled. Thus, a "computer onto which the appellant's product has been installed" should be regarded, although the computer may be used for a purpose other than the purpose of using said process, a "product that is used for the use of said process [...] and is indispensable for the invention to solve the problems" as mentioned in said item. Thus, it is reasonable to conclude that an act of producing, assigning, etc., or offering for assignment, etc., such computer constitutes indirect infringement under said item. However, said item merely states that an act of producing or assigning, etc., any product that could work a patented invention of a process by using said product itself shall be deemed to be an act of patent infringement and does not state that an act of producing or assigning, etc., any product that is used for the production of such product shall be deemed to be an act of patent infringement. In this case, the appellant's act is not an act of producing, assigning, etc., or offering for assignment, etc., said computer but is merely an act of manufacturing, assigning, etc., or offering for assignment, etc., the appellant's product that is used for

production of said computer. On these grounds, it is unreasonable to conclude that the abovementioned appellant's act constitutes indirect infringement under said item.

As mentioned in (1) above, the JPO has already adopted the practice of recognizing the patentability of "machine-readable recording medium in which a programs is recorded" under the "Examination Practice Guidelines for Specific Technical Fields" publicized in February 1997 and the patentability of "program itself" under the "Revised Examination Guidelines for Patents and Utility Models" publicized in December 2000. Moreover, the Patent Act, which was revised by Act No. 24 of 2002, explicitly specifies that a program not recorded in a recording medium may in itself be protected under the Patent Act (refer to Article 2, paragraph (3), item (i) and paragraph (4) of said Act; enforced on September 1, 2002). In light of these facts, the aforementioned interpretation of Article 101, item (iv) of said Act does not mean that the Patent Act does not protect an invention of a program, etc.

Thus, the appellee's allegation mentioned above is not necessarily acceptable.

### 3. Issue 3 (Restrictions on the exercise of the Patent Right)

#### (1) Introduction

In the prior instance, the appellant alleged that the appellee's act constitutes an abuse of right, on the grounds that the Invention could be easily conceived of based on the cited invention described in a cited reference (Exhibit Ko No. 13-25), which is a publication distributed in Japan prior to the filing of the patent application, and thus the lack of inventive step in the Invention provides grounds for invalidation of the Patent. This allegation was not accepted by the court of prior instance. In this instance, the appellant withdrew said allegation of abuse of right and replaced said allegation with the allegation of restrictions on the exercise of the patent right under Article 104-3, paragraph (1) of the Patent Act, which was newly established by Act No. 120 of 2004 enforced after the rendition of the judgment in prior instance.

In this court, the appellant has claimed as follows: (a) As the grounds for invalidation of the Invention due to the lack of novelty of the Invention based on the invention described in a publication distributed in a foreign country prior to the filing of the patent application, the appellant has added the allegation that the Invention is the same as (i) Invention Otsu No. 12, (ii) Invention Otsu No. 13, (iii) Invention Otsu No. 14, Invention Otsu No. 15, and the LabVIEW Invention; and (b) As the grounds for invalidation of the Invention due to the lack of inventive step in the Invention, the appellant presented the inventions as stated in the following items (ii) through (iv) in addition to the invention stated in item (i), to allege that the Invention could be easily conceived of based on the inventions described in the publications distributed in foreign countries prior to the filing of the patent application: (i) the cited invention, as alleged in the prior instance (ii) the cited invention, Invention Otsu

No. 13, and Invention Otsu No. 17, (iii) Invention Otsu No. 18 and the well-known art, and (iv) Invention Otsu No. 12, Invention Otsu No. 15, Invention Otsu No. 17, Invention Otsu No. 18, and the LabVIEW Invention. While the appellant submitted the additional allegations and evidence to this court to prove, based on new publications, the existence of the grounds for invalidation such as the points (i) to (iii) of (a) above and the points (ii) to (iv) of (b) above, this court will determine in the following section 4 whether such allegations and evidence should be dismissed for being made outside the appropriate time frame (Disputed Point 4). First of all, this court will examine the claim for restrictions on the exercise of the Patent Right based on the existence of the grounds for invalidation described in point (iii) of (b) above.

As mentioned in 2(3) above, in the case of Invention 3, since the appellant's act does not constitute indirect infringement, it is reasonable to conclude, without examining the claim concerning the restrictions on the exercise of the patent right, that the appellee's claim is groundless. While it might be unnecessary, this court will present its judgment concerning Invention 3 as follows.

(2) Statements contained in Otsu Document No. 18

Otsu Document No. 18 (Vicky Spilman and Eugene J. Wong, "The HP NewWave Environment Help Facility" (published in August 1989)) is a publication written in English and distributed in a foreign country prior to the filing of the patent application (October 31, 1989). Otsu Document No. 18 contains the following statements (a translation is cited from Exhibit Ko No. 21. Underlines were added by this court for the sake of convenience.).

A. The item entitled "Common Facility" includes a statement that "The use of a shared program to provide help also guarantees that the help user interface is identical for all NewWave components. All displays look alike and all user interface features work identically across NewWave applications. A user can ask for help in the same way, regardless of whether the request is for a reminder of the purpose of an icon or for information on how to perform a specific operation on some data." (from the fourth line from the bottom of page 1 to line 2 of page 2)

B. The item entitled "Intuitive User Interface" includes a statement that "In most cases, a user can look at the screen and figure out how to use the help facility without requiring considerable training or searching through the manuals. Thus one can get help immediately when it is most needed, when a small hint or short explanation will allow the task to be completed without a long delay or distraction. Help can be started from a menu, from a function key or from a pushbutton. Index items can be chosen by mouse scrolling, keyboard scrolling, or typing. The help user interface allows all common modes of operation so that its use will seem intuitive to as many users as possible." (from the 14th

line from the bottom of page 2 to the sixth line from the bottom of said page of the translation)

C. The item entitled "Starting Help" includes a statement that "To start help, the user can select one of two menu items from the help pull-down menu. The help pull-down menu for NewWave objects contains two items: Help Index and Screen/Menu Help. The menu items activate the help index and screen/menu help mode, respectively. The user can make the selection by using the mouse or by using accelerators (keyboard interface). The accelerator for gaining access to the help index is 11. The user can also start help by selecting the help pushbutton from a dialog box. When the help pushbutton is selected, the help text window containing information pertinent to the dialog box is displayed." (from line 6 of page 3 to line 17 of said page of the translation)

D. The item entitled "Screen/Menu Help" includes a statement that "As mentioned above, one of the major objectives for help is to provide context sensitivity. Context sensitivity is best illustrated by the screen/menu help mode, which is also called ? mode. The user selects screen/menu help from the help pull-down menu and the cursor changes to a question mark shape, indicating that the user is in a special help mode. The user can move the question mark cursor around on the screen and click the button on the mouse when the cursor is on an area of interest. The verbal equivalent of this action is to ask the question "What is this?" while pointing at the referenced area. Screen/menu help allows the user to get help on anything in the application window, which might include pull-down menus, icons, and fields. When ? mode is activated, the Screen/Menu Help item in the help pull-down menu changes to Cancel Help, which allows the user to exit the mode without having to select a help topic. When the user activates screen/menu help and selects an item, the help window displays information about that item instead of executing that selection. After the help window is displayed, the mouse cursor and the help pull-down menu are restored to the previous state. ? mode is active for one selection at a time." (from 16th line from the bottom of page 3 to line 4 of page 4 of the translation)

E. The item entitled "Internal Functionality" includes a statement that "When the user selects ? mode, the help facility sends a message to the application, telling the application to set the mode flag to intercept on. The mode flag is a variable that is part of the NewWave architecture and is maintained by the application. Setting the mode flag causes all messages to be sent through the help message filter until the help facility tells the application to set intercept off (another message is sent). When intercept ? mode is invoked, the help facility maintains the ? cursor and interprets the help selection of the user. Once a selection is made with ? mode, intercept mode is turned off and a help message is generated to display the help topic." (from 11th line from the bottom of page 9

to the second line from the bottom of page 11 of the translation)

(3) Configuration of Invention Otsu No. 18

Since Invention Otsu No. 18 is the help facility for the HP NewWave environment, it is related to "information processing device" and "information processing method" and has the following configuration.

A. "Screen/Menu Help" item

According to items D and E of (2) above, the Screen/Menu Help allows the user to get help on an item such as an icon in an application window and displays a help message. Therefore, Invention Otsu No. 18 has the "Screen/Menu Help" item, which displays a help message on an item such as an icon.

B. "Icon"

According to item D of (2) above, it is specified that an application window contains an icon. As found by the judgment in prior instance cited in 1 above (the 12th line from the bottom of page 25 to the tenth line from the bottom of said page of the judgment in prior instance), "Icon" is a picture or pictograph displayed on the display screen in order to represent various data and various processing functions. In other words, "Icon" is designed to trigger the execution of the predetermined information processing function. Therefore, Invention Otsu No. 18 is equipped with an "icon" to trigger the execution of the predetermined information processing function.

C. "Screen," "display means," "display devise," "mouse," and "keyboard"

According to item D of (2) above, the user can move the question mark cursor all over the screen and obtain help information by clicking a mouse button when the cursor is on an area of interest. The subject matters about which the user can obtain help information include icons and the pull-down menu (according to item C of (2) above, the pull-down menu contains the "Screen/Menu Help" item). Therefore, Invention Otsu No. 18 is equipped with a "screen," which displays the "Screen/Menu Help" item and icons, and a "mouse," which designates an icon displayed on the screen. Since both "Screen/Menu Help" item and icons are displayed on the screen, it is obvious that Invention Otsu No. 18 is equipped with a "display means," which displays the "Screen/Menu Help" item and icons on the screen.

According to item D of (2) above since each item is displayed on the screen, it is obvious that Invention Otsu No. 18 is equipped with a "display devise," which displays data.

Furthermore, according to item B of (2) above, Invention Otsu No. 18 is equipped with a "mouse" and a "keyboard," which are used to input data.

D. "Control means"

(A) According to items C and D of (2) above, the user can select the Screen/Menu Help mode by using a mouse and get help by clicking a mouse button. According to item D of (2) above, when the user activates the Screen/Menu Help and selects an item such as an icon, the help window does not execute the selection, but displays information on said item. According to item A of (2) above, if the user wants to receive a reminder of the purpose of an icon, the user can get help. Therefore, Invention Otsu No. 18 is equipped with a control means that displays, in the help window on the screen, i.e., a display means, help information on an icon by selecting the icon subsequently to the selection of the "Screen/Menu Help" item by using a mouse.

(B) Furthermore, according to item D of (2) above, if the user selects the Screen/Menu Help, the cursor changes to a question mark shape. The "?" mode is active for one selection at a time. After the help window is displayed, the mouse cursor is restored to the previous state. According to item E (2) above, when the user selects "?" mode, the mode flag is set to intercept on. Once a selection is made by a mouse in the "?" mode, the "intercept" mode is turned off. Otsu Document No. 18 discloses the function that the user can exit the "?" mode by selecting something by the mouse in the "?" mode. According to item D of (2) above, if an item such as an icon is selected in the "?" mode, the help window does not execute the selection but displays information on the item. Therefore, Invention Otsu No. 18 displays help information on an icon only if the icon is selected by a mouse immediately after the selection of the "Screen/Menu Help" item. In other words, Invention Otsu No. 18 is equipped with a control means to execute the predetermined information processing function of an icon unless the icon is selected by a mouse immediately after the selection of the "Screen/Menu Help" item.

#### (4) Comparison between Invention Otsu No. 18 and the Invention

##### A. Comparison with Invention 1

Since the "Screen/Menu Help" item of Invention Otsu No. 18 is designed to display a help message on an item such as an icon (item A of (3) above), the "first icon" of Invention 1 is the same as the "Screen/Menu Help" item of Invention Otsu No. 18 in the sense that they are the "means to display a functional description" that executes the function of displaying a functional description of an icon. The "icon," "screen," "display means," and "mouse" of Invention Otsu No. 18 correspond to the "second icon," "display screen," "display means" and "designation means" of Invention 1, respectively (items B and C of (3) above). The "control means" of Invention Otsu No. 18 corresponds to the "control means" of Invention 1, while "icon" is used as the "functional description display means" (item D, a. of (3) above).

On these grounds, Invention 1 is the same as Invention Otsu No. 18 in the sense that

both inventions may be regarded as "information processing device characterized by having a functional description display means to execute the function of displaying a functional description of an icon, a display means to display on the display screen the second icon, which triggers the execution of the predetermined information processing function, a designation means to designate an icon displayed on the display screen of said display means, and a control means to display a functional description of said second icon on the display screen of said display means in response to the designation of the second icon subsequent to the designation of the functional description display means by said designation means." As alleged by the appellee as Difference A in section II, 6, item E, the two inventions are different in the following points.

[Difference] The "functional description display means," which executes the function of displaying a functional description of an icon, corresponds to "icon" in the case of Invention 1, but corresponds to the "Screen/Menu Help" item in the case of Invention Otsu No. 18.

#### B. Comparison with Invention 2

Invention 2 is an invention cited from [Claim 1]. In the case of Invention 2, the control means described in [Claim 1] can also "execute the predetermined information processing function of the second icon unless said second icon is designated by said designation means immediately after the designation of the first icon." Thus, it is reasonable to conclude that the "control means" of Invention Otsu No. 18 corresponds to the "control means" of Invention 2, while "icon" is used as the "functional description display means" (item D,(B) of (3) above).

Therefore, Invention 2 is the same as Invention Otsu No. 18 not only in the manner in which Invention 1 is the same as Invention Otsu No. 18, but also in the sense that the invention is designed to have the control means "execute the predetermined information processing function of the second icon unless the second icon is designated by said designation means immediately after the designation of the functional description display means." However, the two inventions are different in the "Difference" described in item A above.

#### C. Comparison with Invention 3

The "mouse," "keyboard," "display device," "icon," and "screen" of Invention Otsu No. 18 correspond to the "input device," "display device," "second icon," and "display screen" of Invention 3 respectively (items B and C of (3) above). Since the "Screen/Menu Help" item of Invention Otsu No. 18 is designed to display a help message on an item such as an icon (item A of (3) above), the "first icon" of Invention 3 is the same as the "Screen/Menu Help" item of Invention Otsu No. 18 in the sense that both may be

regarded as the "functional description display means," which executes the function of displaying a functional description of an icon. In the case of Invention Otsu No. 18, when an icon is selected subsequently to the selection of the "Screen/Menu Help" item, help information on the icon is displayed in the help window on the screen (item D of (3) above).

Therefore, Invention 3 is the same as Invention Otsu No. 18 concerning the following two points: both inventions may be regarded as an "information processing method that controls a device equipped with a data input device and a data displayed device, which is characterized by displaying on the display screen the functional description display means, which executes the function of displaying a functional description, and the second icon, which triggers the execution of the predetermined information processing function, and also displaying on the display screen a functional description of said second icon when the second icon is designated subsequently to the designation of the functional description display means." The two inventions are different from each other in the [Differences] described in item A above.

#### (5) Judgment on differences

As found by the judgment in prior instance, which is cited in section 1 above, with regard to Issue 1 (Fulfillment of the constituent features), at the time of filing the patent application, "icon" was well-known art as a means to execute the predetermined information processing function. According to the evidence (Otsu Documents No. 13 and No. 18), a similar means, "menu item," was also a well-known art. On these grounds, it should be concluded that a person skilled in the art can appropriately choose either "icon" or "menu item," when necessary, as a means to trigger the execution of the predetermined information processing function since such a decision is a matter of technical design.

In fact, regarding the means to execute the function of displaying a functional description of an icon, Otsu Document No. 12 ("Hyper Tools for Hyper Programmers") distributed in July 1988 prior to the filing of the patent application contains the statement: "a built-in help function that lets you quickly get information on the different tools. To get help on any tool on this screen, click on the help icon. Then click on any of the icons for the tools shown." (from the seventh line from the bottom of page 14 to the fourth line from the bottom of said page of the translation [Exhibit Ko No. 19]). Thus, it is reasonable to conclude that "icon" to get help that triggers the execution of the function of displaying a functional description was already a publicly-known means at the time of filing of the patent application.

If this is the case, as far as Invention Otsu No. 18 is concerned, it should be considered that any person skilled in the art could easily conceive of the idea of adopting "icon," in

place of the "Screen/Menu Help" item, as a "functional description display means," which executes the function of displaying a functional description of an icon.

The action and effect brought about by the configuration of the Invention did not go beyond the level that was naturally expected to be achieved by the idea of adopting the well-known "icon" as a "functional description display means," which executes the function of displaying a functional description of an icon. Therefore, said action and effect may not be regarded as special.

(6) The appellee's allegations

A. The appellee argues that, regarding the use of the help function directly from an application screen (without shifting into a specific mode), it was a standard approach in the relevant technical field, at the time of filing the patent application, to adopt the configuration that uses the "pull-down menu," which requires at least 2 clicks, and does not use a "button," which is a to-be-clicked button directly displayed on the screen, and, therefore, it was extremely difficult to create the Invention's configuration, which uses the "first icon," or any configuration other than the aforementioned standard configuration.

However, even if it was a standard approach in the relevant technical field, at the time of filing the patent applications, to adopt a configuration that uses the "pull-down menu" to execute the help function when it is used directly from an application screen, there was no special impediment to the use of any other approach. In fact, as mentioned in the (5) above, Otsu Document No. 12 describes a configuration that uses "icon" to execute the help function when it is used directly from an application screen. Therefore, it is completely unreasonable to conclude that it was extremely difficult to create a configuration that uses "icon" and does not use "pull-down menu," as is the case with the Invention. Thus, the appellee's allegation as mentioned above is unacceptable.

B. The appellee argues that "menu item" is completely different from "icon" from the perspective of user operation because "menu item" allows the users to select an item that is not directly displayed on the screen by clicking a mouse button in two or more separate places, but "icon" allows the user to click a mouse button on an icon that is directly displayed on the screen.

It is true that "menu item" is different from "icon" from the perspective of user operation. However, as mentioned in (5) above, both "menu item" and "icon" are well-known art to trigger the execution of the predetermined information processing function. Each person skilled in the art should be able to choose either "icon" or "menu item," when necessary, since it is a matter of technical design. Therefore, even if "menu item" is different from "icon" from the perspective of user operation, it would not affect said judgment that it could have been easily created by any person skilled in the art.

C. The appellee argues that, according to Otsu Document No. 18, since the "Screen/Menu Help" item is displayed only when the user opens the help pull-down menu and is not displayed when the user clicks on an icon, Otsu Document No. 18 does not state that, as is the case with the Invention, "the first icon and [...] the second icon" are displayed on the "display screen," where an icon may be designated (Difference B).

However, the claims for the Invention merely contains the following statements: (i) "[...] a display means to display on the display screen the first icon, [...] and the second icon, a designation means to designate an icon displayed on the display screen of said display means, and a control means to display a functional description of the second icon on the display screen of said display means in response to the designation of the second icon subsequent to the designation of the first icon by said designation means." ([Claim 1]; [Invention 1]); or (ii) "[...] displays on the display screen the first icon, [...] and [...] the second icon, [...] and triggers, in response to the designation of the second icon subsequent to the designation of the first icon, the display of a functional description of said second icon on the display screen." ([Claim 3]; [Invention 3]). These claims do not specify that the first icon is displayed on the display screen when the second icon is designated. Thus, since the appellee's allegation as mentioned above does not have any basis in the statements included in the patent claims, it must be said that the appellee's allegation is unreasonable.

D. The appellee alleges that, since the Invention has a configuration that does not display a functional description of the second icon when the second icon is designated subsequently to the designation of any indication that may not be regarded as the second icon (Constituent features 1-C and 3-C), it is possible to prevent unwanted display of a functional description due to the erroneous designation of the first icon and to save the user from taking a special action such as pressing the ESC button as a result of such erroneous designation. The appellee further alleges that, in contrast the Invention as described above, the Invention Otsu No. 18 does not allow the user to exit the "?" mode without displaying the help window unless the user conducts a special operation, namely, opens the pull-down menu once again and selects the "Cancel Help" item, which is the difference between the two inventions (Difference C).

However, said constituent features pointed out by the appellee consist merely of a "control means that displays a functional description of the second icon on the display screen of said display means in response to the designation of the second icon subsequent to the designation of the first icon by said designation means" (1-C) or "to display a functional description of the second icon on the display screen in response to the designation of the second icon subsequent to the designation of the first icon" (3-C). Since

these statements do not specify anything about the case where any indication that may not be regarded as the second icon is designated subsequently to the designation of the first icon, it is reasonable to conclude that the appellee's allegation mentioned above does not have any basis in the statements included in the patent claims.

Furthermore, the claims of Invention 2 contains a statement that "an information processing device described in Claim 1 characterized by having said control means that executes the predetermined information processing function of the said second icon when the second icon is not designated by said designation means immediately after the designation of the first icon." This means that it is specified that if the designation of the second icon does not immediately follow the designation of the first icon, the execution of the predetermined information processing function of the second icon would be triggered. However, nothing more is specified. In other words, said statement does not refer to such configuration that is claimed by the appellee, i.e., the configuration that does not display a functional description even if no special operation, such as pressing the ESC button, is conducted in response to the designation of any indication that may not be regarded as the second icon subsequent to the designation of the first icon. Therefore, even in consideration of Invention 2, said claim of the appellee does not have any basis in the statements included in the patent claims.

Moreover, as mentioned in item D of (2) above, Otsu Document No. 18 contains a statement that "When ? mode is activated, the 'Screen/Menu Help' item in the help pull-down menu changes to Cancel Help, which allows the user to exit the mode without having to select a help topic." Therefore, it is reasonable to conclude that Otsu Document No. 18 states that, if the user opens the pull-down menu and selects Cancel Help, the user can exit "?" mode without displaying the help window. However, Otsu Document No. 18 does not contain any other statement, such as the one alleged by the appellee, i.e., the statement that the user cannot exit "?" mode without displaying the help window unless the user selects the Cancel Help item. Thus, the appellee's allegation as mentioned above has lost its premise.

On these grounds, the appellee's allegation as mentioned above is not acceptable.

#### (7) Conclusion

In view of these facts mentioned above, the Invention, i.e., Inventions 1 to 3, could have been easily made by any person skilled in the art based on Invention Otsu No. 18 and well-known art. Therefore, it is reasonable to conclude that the Patent on Invention was granted in violation of Article 29, paragraph (2) of the Patent Act and that such a patent should be invalidated by a patent invalidation trial. Thus, the appellee, i.e., the patentee, should not be allowed to exercise the Patent Right against the appellant under Article 104-3,

paragraph (1) of said Act.

4. Issue 4 (Allegations or evidence advanced outside the appropriate time)

(1) The appellee alleges that, while the appellant newly submitted additional allegations and evidence to this instance with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent, such allegations and evidence should be dismissed for being advanced outside the appropriate time. Relevant records have revealed the following facts about the historical background of this lawsuit.

On August 5, 2004, the appellee filed this action. In the prior instance, the first oral argument was held on September 17, 2004, followed by the second oral argument on October 26, 2004, and the third on November 30, 2004. The oral argument procedure was completed on the date of the third oral argument. On February 1, 2005, the court rendered a judgment in prior instance in favor of the appellee. Dissatisfied with this judgment, the appellant filed this appeal. In the first oral argument held on April 25, 2005, the appellant made a statement on a petition for appeal and a brief on appeal and newly submitted additional allegation with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent as well as publications etc., as evidence. In the subsequent second oral argument on June 3, 2005 and the third oral argument on July 15, 2005, the appellant slightly supplemented said allegations and evidence. The oral argument procedure was completed on the date of the third oral argument.

(2) Based on the abovementioned facts, in the prior instance, there was only about two months from the date of the first oral argument to the date of the third oral argument, on which the oral argument procedure was completed. Moreover, there was only less than four months between the date of filing of the action and the date of the third oral argument. This shows that the proceedings of the prior instance were carried out very efficiently within a short period of time. While the appellant newly submitted to this court additional allegations and evidence with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent, except for subsequent slight supplementation, they contain the same allegations and evidence as those advanced on the date of the first oral argument of this instance, which is the day on which a statement was made on a brief on appeal. This means that such additional allegations and evidence can be regarded as those advanced in the initial stage of the proceedings of this court.

An examination of the content of said additional allegations and evidence reveals that, as far as the fulfillment of the constituent features is concerned, the appellant merely supplemented, from a slightly different angle, its allegations already submitted in the prior instance with regard to the fulfillment of the constituent features (the significance of "icon"). Further, while the allegation concerning the grounds for invalidation of the Patent

was made based on newly added documents, in view of the fact that those documents were written in English and distributed in foreign countries prior to the filing of the patent application, which took place almost 15 years prior to the filing of this action, it was inevitable that the search for such publicly-known documents took time.

Based on comprehensive consideration of these facts, while the appellant newly submitted to this court the allegations and evidence with regard to the fulfillment of the constituent features and the grounds for invalidation of the Patent, it is unreasonable to consider said additional allegations and evidence as being made outside the appropriate time.

(3) On the other hand, the appellee alleges that the submission of said additional allegations and evidence should be regarded as being made outside the appropriate time because it was obvious that the appellant was given sufficient opportunities for interpretation of claims and research on publicly-known documents, etc., from the following facts: (i) that about four years had passed since the issuance of a warning based on the Patent Right until the date the judgment in prior instance in connection with the appellant's act of producing, assigning, etc., or offering for assignment, etc., the previous product and the appellant's product; (ii) that at least two years had passed since the filing of a request for the previous provisional disposition until the completion of the oral argument procedure of the prior instance; and (iii) that, in the previous lawsuit prior to this lawsuit, the court took into consideration not only the previous product but also the appellant's product and issued a conciliation recommendation to the effect that the appellant shall pay a certain amount.

However, a judgment as to whether the court should dismiss the allegations and evidence for being made outside the appropriate time under Article 157 of the Code of Civil Procedure depends on whether the court finds that there are objective circumstances that provide grounds for expecting earlier submission than the actual timing of submission in light of the actual state of progress in the proceedings. Any of the circumstances as alleged by the appellant has nothing to do with the actual state of progress in the proceedings related to the claim of the appellee.

Furthermore, regarding the appellant's act of producing assigning, etc., or offering for assignment, etc., the previous product, the appellee filed a request for the previous provisional disposition to seek an injunction against the appellant's act as mentioned above based on the Patent Right on November 7, 2002 and December 10, 2002 respectively (Exhibit Ko No. 13-1, 28). Said request was withdrawn by the appellee on June 18, 2003 (Exhibit Ko No. 13-38, 39). In the previous lawsuit as to whether said act of the appellant infringed the Patent Right of the appellee (The principal action was filed by the appellant on August 15, 2003 to seek a declaration of the nonexistence of the right to demand an

injunction against patent infringement [Exhibit Ko No. 1]. Subsequently, a counterclaim was filed by the appellee on October 29, 2003 to seek an injunction against patent infringement [Exhibit Ko No. 3].), one of the issues was the existence or nonexistence of the grounds for invalidation of the Patent due to lack of inventive step in the Invention based on the cited references (Exhibit Ko No. 13-25 concerning the principal action and Exhibit Ko No. 25 concerning the previous action). The judgment in the first instance (Exhibit Otsu No. 1) rendered on August 31, 2004, subsequently to the filing of this action by the appellee, states that the "?" button and "display" button, etc., are merely "signs" or "characters" with no design quality and may not be regarded as pictures or pictographs, and, therefore, they may not be regarded as "icon," which is a constituent feature of the Invention. Further, it was stated that, since the computer onto which the previous product has been installed and the use thereof do not fall under the technical scope of the Invention, the appellant's act does not constitute infringement of the Patent Right. This judgment was finalized without the court's judgment on the abovementioned grounds for invalidation. In consideration of such historical background, the appellee's allegation as mentioned above is unacceptable because the additional allegations and evidence newly submitted by the appellant to this court may not be regarded as being made outside the appropriate time in light of the circumstances alleged by the appellee in this lawsuit.

(4) Based on the abovementioned facts, while the appellant newly submitted to this court the allegations and evidence with regard to the grounds for invalidation of the Patent, it is unreasonable to conclude that said allegations and evidence was submitted for the purpose of unjustly delaying the proceedings, and thus such allegations and evidence may not be dismissed ex officio under Article 104-3, paragraph (2) of the Patent Act (according to relevant records, it is clear that, in this lawsuit, there were no such special circumstances where time limits were imposed on the period within which allegations and evidence must be submitted with regard to the grounds for invalidation of the Patent under Article 147-3, paragraph (3) or Article 156-2 of the Code of Civil Procedure, which are provisions related to well-organized proceedings).

## 5. Conclusion

On these grounds, since all of the claims of the appellee are groundless, the judgment in prior instance that accepted them shall be revoked, and, thus, all of the appellee's claims shall be dismissed, and the judgment shall be rendered in the form of the main text.

Intellectual Property High Court, Special Division

Presiding judge: SHINOHARA Katsumi

Judge: TSUKAHARA Tomokatsu

Judge: SATO Hisao

Judge: NAKANO Tetsuhiro

Judge: OKINAKA Yasuhito

(Attachments are not available)