

Patent Right	Date	October 10, 2019	Court	Intellectual Property High Court, Second Division
	Case number	2019 (Ne) 10031		
<p>- A case in which, with regard to the so-called sub combination invention titled "DRUG DISPENSING ROLL PAPER", the description in the scope of claims of the invention of an article should be interpreted to specify the structure, characteristics, and the like of the article, and the description of "used" expresses that the roll paper can be used in the drug dispensing device specified by the constituent feature.</p> <p>- A case in which the first court defendants selling the defendant's product reusing the component of the genuine product made by the first court plaintiff to which the trademark is affixed alleged that all the purchasers purchased the defendant's product to which the trademark of the first court plaintiff is affixed by recognizing that it is a non-genuine product and thus, trademark right infringement is not established, but it is not found that all the purchasers accurately recognized that the defendant's product is not the product of the first court plaintiff, and Article 26, paragraph (1), item (vi) of the Trademark Act is not applied or substantial illegality is not lacking.</p>				

Case type: Injunction, etc.

Result: Appeal dismissed

References: Article 70 of the Patent Act, Article 26, paragraph (1), item (vi) of the Trademark Act

### Summary of the Judgment

1. This case is a case in which the first court plaintiff having the two trademark rights (each of the present trademark rights) and having the patent right (present patent right) of the invention titled "DRUG DISPENSING ROLL PAPER" alleged to the first court defendants who manufactured/sold the defendant's product reusing the used hollow core tube (to which the trademark according to each of the aforementioned trademark rights is affixed) of the roll paper made by the first court plaintiff for drug dispensing used for the drug dispensing device made by the first court plaintiff that the product manufactured/sold by the first court defendants infringed the present patent right and each of the present trademark rights, and claimed [i] injunction of sales and the like and disposal of manufacturing facilities and the like under Article 36, paragraphs (1) and (2) of the Trademark Act; [ii] compensation for damage under Articles 709 and 719, paragraph (2) of the Civil Code as well as Article 102, paragraph (2) of the Patent Act or Article 38, paragraph (2) of the Trademark Act; and [iii] as the alternative claim for each of the aforementioned claims for compensation for damage, return of unjust

enrichment value and payment of the delay damages thereto as the claim for return of the unjust enrichment under Articles 703 and 704 of the Civil Code.

2. The judgment in prior instance (Osaka District Court, 2016 (Wa) 7536/Judgment on March 5, 2019) found the infringement of the present patent right and each of the trademark rights by the first court defendants and approved the claims to the limit of the payment of compensation for damage of 4,156,644 yen and the delay damages thereto from the first court defendant A, the joint payment of the compensation for damage of 716,378 yen and the delay damages thereto from the first court defendants, the payment of unjust enrichment value of 827,818 yen and the delay damages thereto from the first court defendant A, and the payment of the unjust enrichment value of 474,242 yen and the delay interest thereto from the first court defendant B and dismissed all the remaining principal claims and alternative claims.

The first court plaintiff instituted an appeal against the portion in which the injunction of sales and the like was dismissed, while first court defendants instituted an appeal against the portion in which each of the first court defendants lost.

3. This judgment approved infringement of the present patent right and each of the present trademark rights and did not approve the need for injunction and dismissed all the appeals by the first court plaintiff and the first court defendants. The issues of this case are varied, but the gist of reasons related to infringement of the present patent right and each of the present trademark rights is as follows.

(1) In the invention according to the present patent right (present invention), Constituent Feature A specifies mainly the configuration of the drug dispensing device and the other Constituent Features B to E specify mainly the configuration of the roll paper used for the drug dispensing device, and the roll paper is described to be "used" for the drug dispensing device in Constituent Feature A. The present invention is found to be the invention of an article which is the "drug dispensing roll paper", and since the description in the scope of claims of the invention of the article should be interpreted to specify the structure, characteristics, and the like of the article, and the term "used" is described as "used for the drug dispensing device ..." in Constituent Feature A, the term "used" in Constituent Feature A is interpreted to express that the roll paper is usable for the drug dispensing device specified by Constituent Feature A.

Since it is found that the defendant's product (that in which the drug dispensing paper is wound again on the used hollow core tube of the roll paper

made by the plaintiff) fulfills the specifying matters according to each of the constituent features and can be used for the drug dispensing device specified by Constituent Feature A, the defendant's product can be considered to belong to the technical scope of the present invention, and whether the defendant's product is actually used for the drug dispensing device specified by Constituent Feature A does not influence the judgment on fulfillment of the constituent features.

(2) The first court defendants allege that, since the defendant's product was sold by explicitly indicating that it is a non-genuine product and the purchasers are dispensing pharmacies, the purchasers accurately recognize that the defendant's product is a non-genuine product, and since a source indicating function or a quality assurance function is not harmed, Article 26, paragraph (1), item (vi) of the Trademark Act is applied or substantial illegality is lacking and thus, the trademark right infringement is not established. However, in view of the form of advertisement/sales of the defendant's product, it is not found that the fact of being a non-genuine product is not always indicated explicitly, and even though they are dispensing pharmacies, their attention is not necessarily higher than that of general consumers and the like. Therefore, it is not found that all the purchasers accurately recognized that the defendant's product was a non-genuine product; that is, it is not the product of the first court plaintiff, and the aforementioned allegation by the first court defendants lacks the premise and cannot be employed.

Judgment rendered on October 10, 2019

2019 (Ne) 10031, Appeal case of seeking injunction against patent infringement, etc.

(Court of Prior Instance: Osaka District Court 2016 (Wa) 7536)

Date of conclusion of oral argument: July 4, 2019

## Judgment

Appellant and appellee: YUYAMA Co. Ltd. (hereinafter referred to as "first court plaintiff")

Appellant and appellee: NEXT INC. (hereinafter referred to as "first court defendant NEXT")

Appellant and appellee: Yoshiya Interior Co., Ltd. (hereinafter referred to as "first court defendant Yoshiya")

## Main text

1. All the appeals of this case shall be dismissed.
2. The first court plaintiff shall bear the cost of the appeal incurred in the first court plaintiff, and the first court defendant NEXT and the first court defendant Yoshiya shall bear the cost of the appeal incurred in themselves.

## Facts and reasons

The abbreviations of the terms and the meanings of the abbreviations below shall follow those in the judgment in prior instance, other than those added in this judgment, and the "plaintiff" in the judgment in prior instance shall read the "first court plaintiff", the "defendant NEXT" shall read the "first court defendant NEXT", the "defendant Yoshiya" shall read the "first court defendant Yoshiya", and the "defendants" shall read the "first court defendants" as appropriate. Moreover, the "attachment" in the cited portion in the judgment in prior instance are all revised to "attachment in the judgment in prior instance".

### No. 1 Gist of the appeal

#### 1. First court plaintiff

- (1) The portion related to the claim for injunction on the ground of the trademark right in the judgment in prior instance shall be reversed.

- (2) The first court defendant NEXT shall not affix the mark described in the list of marks in the attachment in the judgment in prior instance to the articles described in the list of defendant NEXT's products in the attachment in the judgment in prior instance, or sell or display for sales the articles described in the list of defendant NEXT's products in the attachment in the judgment in prior instance with the mark affixed.
- (3) The first court defendant Yoshiya shall not affix the mark described in the list of marks in the attachment in the judgment in prior instance to the articles described in the list of defendant Yoshiya's products in the attachment in the judgment in prior instance, or sell or display for sales the articles described in the list of defendant Yoshiya's products in the attachment in the judgment in prior instance with the mark affixed.

## 2. First court defendants

- (1) The portion in which the first court defendants lost in the judgment in prior instance shall be reversed.
- (2) With regard to the aforementioned portion, all the claims by the first court plaintiff are dismissed.

## No. 2 Outline of the case

1. This case is a case in which the first court plaintiff having each of the trademark rights described in the lists I and II of the trademark rights in the attachment in the judgment in prior instance (each of the present trademark rights) and having the patent right related to the invention titled "drug dispensing roll paper" (Patent No. 4194737, the present patent right) alleged that the products manufactured/sold by the first court defendants infringed the present patent right and each of the present trademark rights, and claimed [i] injunction of sales and the like and disposal of manufacturing facilities and the like under Article 36, paragraphs (1) and (2) of the Trademark Act; [ii] principal payment of damages under Articles 709 and 719, paragraph (2) of the Civil Code as well as Article 102, paragraph (2) of the Patent Act or Article 38, paragraph (2) of the Trademark Act of (i) 50 million yen which is a part of the damages in the amount of 56.76 million yen and delay damages thereto at a rate of 5% per annum from the day following the date of service of the complaint (September 5, 2016) until completion of the payment in relation to the defendant NEXT's product sold by the first court defendant NEXT from the first court defendant NEXT; and (ii) 50 million yen which is a part of the damages in the amount of 113.52 million yen and delay damages thereto at the

rate of 5% per annum prescribed in the Civil Code from the day following the date of service of the complaint (September 5, 2016 for the first court defendant NEXT and 2nd day of the same month for the first court defendant Yoshiya) until completion of the payment in relation with the defendant Yoshiya's product sold by the first court defendant Yoshiya from the first court defendant Yoshiya (joint payment for the overlapped portion); and [iii] as the alternative claim for each of the aforementioned claims for damages, payment of return of unjust enrichment value 11,793,600 yen from the first court defendant NEXT and 3,356,640 yen from the first court defendant Yoshiya and the delay damages thereto at the rate of 5% per annum prescribed in the Civil Code from the day following the date of service of the change petition as of August 28, 2018 (October 5 of the same year) to each of them until completion of the payment as the claim for return of the unjust enrichment under Articles 703 and 704 of the Civil Code.

2. The judgment in prior instance found the infringement of the present patent right and each of the present trademark rights by the first court defendants and approved the claims by the first court plaintiff to the limit of the payment of damages of 4,156,644 yen and the delay damages thereto from the first court defendant NEXT, the joint payment of the damages of 716,378 yen and the delay damages thereto from the first court defendant Yoshiya and the first court defendant NEXT, the payment of unjust enrichment value of 827,818 yen and the delay damages thereto from the first court defendant NEXT, and the payment of the unjust enrichment value of 474,242 yen and the delay interest thereto from the first court defendant Yoshiya and dismissed all the remaining principal claims and alternative claims.

The first court plaintiff instituted an appeal against the portion in the judgment in prior instance in which the injunction of sales and the like under Article 36, paragraphs (1) and (2) of the Trademark Act was dismissed, while first court defendants instituted an appeal against the portion in which the first court defendants lost.

In the judgment in prior instance, the portion in which the claim for disposal of the defendant's products, semi-finished products, and manufacturing facilities thereof was dismissed is not a target of proceeding in this court.

3. Other than the amendment below, the basic facts (undisputable facts between the parties or facts found by each evidence posted later and the entire

import of oral argument) are as described on page 4, line 11 to page 7, line 24 in the judgment in prior instance and cited herein.

(1) The portion "(hereinafter, a processed sheet wound around a hollow core tube and used for dispensing of a drug will be referred to as 'drug dispensing sheet', 'sheet', 'drug dispensing paper', 'dispensing paper' and the like.)" shall be added after the "drug dispensing sheet" on page 4, line 20 in the judgment in prior instance.

(2) The portion from page 4, line 22 to page 6, line 14 in the judgment in prior instance shall be revised as follows.

"(2) Patent right held by the first court plaintiff

A. Filing procedures and the like of the present patent

(A) The first court plaintiff filed the patent application (Patent Application 2000-166273, hereinafter, referred to as the 'present application') on June 2, 2000 (Exhibits Ko 2, 54, Exhibits Otsu 6, 11 to 13) by further dividing a part of the patent application (Patent Application No. 2000-33185, date of filing: February 10, 2000) filed by dividing a part of the patent application (Patent Application No. 1998-340008. Date of filing: November 30, 1998) filed by dividing a part of the patent application (Patent Application No. 1997-257175, priority date: September 20, 1996 and September 19, 1997, Priority country: Japan, hereinafter, referred to as the "original application"; Moreover, the Description and the drawings at the filing of the original application are collectively referred to as the "original Description at filing", and the contents thereof are as in "Attachment 1" of the patent gazette attached to this judgment) filed on September 22, 1997.

Since the first court plaintiff received the notice of reasons of refusal (Exhibit Otsu 7) as of July 26, 2007 for the present application, the first court plaintiff made proceeding amendment (hereinafter, referred to as the "present amendment", Exhibit Otsu 8) for the scope of claims on October 1 of the same year and received the registration of establishment of the patent (number of claims: 2, Exhibits Ko 1, 2) of the present patent on October 3, 2008. The description on the Description and the drawings (present Description) according to the present patent is as in the patent gazette attached to the judgment in prior instance.

(B) The first court plaintiff made a request for correction trial requesting correction of Claim 2 in the scope of claims of the present patent on September 7, 2010 (Correction No. 2010-390095), the decision that the request is admitted was made on November 9 of the same year, and the decision was finalized on 18th day of the same month (Exhibit Ko 3).

(C) NISSIN MEDICAL INSTRUMENT CO., LTD. made a request for an invalidation trial for the present patent on July 10, 2017 (Invalidation Trial No. 2017-800089, hereinafter, referred to as "the other invalidation trial", Exhibit Ko 55), and the first court plaintiff made a request for correction requesting correction of Claims 1 and 2 in the scope of claims of the present patent on October 6 of the same year (hereinafter, referred to as the "present correction", Exhibits Ko 25, 26).

Regarding the other invalidation trial, the Japan Patent Office approved the present correction and rendered the trial decision that "the claim for the present trial is not established." on June 26, 2018, and after that, the JPO decision was finalized (Exhibit Ko 55).

(D) The duration of the present patent right ended on September 21, 2017 (Exhibit Ko 1).

B. Description of the scope of claims first attached to the application of the present application

The description of Claim 1 in the scope of claims first attached to the application of the present application is as follows (Exhibit Otsu 6).

[Claim 1]

A drug dispensing roll paper used for a drug dispensing device including: a sheet feeding portion in which a hollow shaft is provided rotatably around a non-rotatably supported support shaft, a motor brake is engaged with the hollow shaft, and a sheet of the roll paper detachably attached to the hollow shaft is fed out by a feeding roller; and a dispensing portion for folding the sheet in half, inputting the drug between the halves from a hopper, and having a heating roller for heat-sealing the sheet into which the drug was input into a band shape in a width direction and both side edge portions at a predetermined interval, wherein

an angular sensor is provided on the support shaft in order to detect a rotation angle of the roll paper; a length measuring sensor for measuring a sheet feeding length along a sheet feeding path to the dispensing portion is provided; means for joining the roll paper to the hollow shaft, capable of joining/rotation, is provided on an end where the roll paper and the hollow shaft are in contact with each other; and the drug is dispensed while a sheet tension is adjusted in accordance with a roll paper diameter on the basis of signals of the two sensors, comprising:

a hollow core tube and the roll paper in which the drug dispensing sheet is wound thereon in a roll state; wherein

a magnet is disposed at a position where a winding amount of the sheet can be detected by the angular sensor provided on the support shaft in order to give the sheet

tension according to the sheet winding amount of the roll paper to the hollow shaft;  
and

the magnet is disposed so as to be rotated with the roll paper.

C. Description in the scope of claims after the present amendment

The description of Claim 1 in the scope of claims after the present amendment is as follows (the underlined portions are portions amended by the present amendment, Exhibit Otsu 8).

[Claim 1]

A drug dispensing roll paper used for a drug dispensing device including:  
a sheet feeding portion in which a hollow shaft is provided rotatably around a non-rotatably supported support shaft, a motor brake is engaged with the hollow shaft, and a sheet of the roll paper detachably attached to the hollow shaft is fed out by a feeding roller; and a dispensing portion for inputting the drug between a sheet folded in half from a hopper, and having a heating roller for heat-sealing the sheet into which the drug was input into a band shape in a width direction and both side edge portions at a predetermined interval, wherein

an angular sensor is provided on the support shaft in order to detect a rotation angle of the roll paper;

a shift detection sensor for detecting a shift of the hollow shaft is provided between the hollow shaft and a fixed support plate of the support shaft;

a length measuring sensor for measuring a sheet feeding length along a sheet feeding path to the dispensing portion is provided;

means for joining the roll paper to the hollow shaft, capable of joining/rotation, is provided on an end where the roll paper and the hollow shaft are in contact with each other;

the drug is dispensed while a sheet tension is adjusted in accordance with a roll paper diameter on the basis of signals of the angular sensor and the length measuring sensor;

and

the shift between the roll paper detachably attached to the hollow shaft and the hollow shaft is detected by discordance between the signal of the angular sensor and the signal of the shift detection sensor, comprising:

a hollow core tube and the roll paper in which the drug dispensing sheet is wound thereon in a roll state; wherein

a magnet is disposed at a position where a winding amount of the sheet calculated from a detection signal of the rotation angle by the angular sensor provided on the support shaft and the detection signal of the length measuring sensor can be detected

in order to give the sheet tension according to the winding amount of the sheet of the roll paper to the hollow shaft; and

the magnet is disposed so as to be rotated with the roll paper.

#### D. Description in the scope of claims after the present correction

The description of Claim 1 in the scope of claims after the present correction is as follows (the underlined portions are corrected portions by the present correction; hereinafter, the invention according to claim 1 after the present correction is referred to as the "present corrected invention", Exhibits Ko 25, 26).

[Claim 1]

A drug dispensing roll paper used for a drug dispensing device including:  
a sheet feeding portion in which a hollow shaft is provided rotatably around a non-rotatably supported support shaft, a motor brake is engaged with the hollow shaft, and a sheet of the roll paper detachably attached to the hollow shaft is fed out by a feeding roller; and a dispensing portion for inputting the drug between a sheet folded in half from a hopper, and having a heating roller for heat-sealing the sheet into which the drug was input into a band shape in a width direction and both side edge portions at a predetermined interval, wherein

an angular sensor is provided on one end of the support shaft in order to detect a rotation angle of the roll paper;

a shift detection sensor for detecting a shift of the hollow shaft is provided between the hollow shaft and a fixed support plate of the support shaft;

a length measuring sensor for measuring a sheet feeding length on a sheet feeding path to the dispensing portion is provided;

means for detachably fixing the roll paper to the hollow shaft and integrally rotating both at the fixation is provided on an end where the roll paper and the hollow shaft are in contact with each other;

the drug is dispensed while a sheet tension is adjusted in accordance with a roll paper diameter on the basis of signals of the angular sensor and the length measuring sensor:  
and

the shift between the roll paper detachably attached to the hollow shaft and the hollow shaft is detected by discordance between the signal of the angular sensor and the signal of the shift detection sensor, comprising:

a hollow core tube and the roll paper on which the drug dispensing sheet is wound in a roll state; wherein

a plurality of magnets are disposed at positions where a winding amount of the sheet can be calculated from a detection signal of the rotation angle by the angular sensor

provided on the support shaft and the detection signal of the length measuring sensor, and the detection by the angular sensor can be executed in order to give the sheet tension according to the winding amount of the sheet of the roll paper to the hollow shaft; and

the magnets are disposed so as to be rotated with the roll paper.

(3) Separate description of the constituent features of the present corrected invention

The constituent features of the present corrected invention are separately described as follows.

E. A drug dispensing roll paper

A. used for a drug dispensing device including:

a sheet feeding portion in which a hollow shaft is provided rotatably around a non-rotatably supported support shaft, a motor brake is engaged with the hollow shaft, and a sheet of the roll paper detachably attached to the hollow shaft is fed out by a feeding roller; and

a dispensing portion inputting the drug between a sheet folded in half from a hopper, and having a heating roller for heat-sealing the sheet into which the drug was input into a band shape in a width direction and both side edge portions at a predetermined interval, wherein

an angular sensor is provided on one end of the support shaft in order to detect a rotation angle of the roll paper;

a shift detection sensor for detecting a shift of the hollow shaft is provided between the hollow shaft and a fixed support plate of the support shaft;

a length measuring sensor for measuring a sheet feeding length along a sheet feeding path to the dispensing portion is provided;

means for detachably fixing the roll paper to the hollow shaft and integrally rotating both at the fixation is provided on an end where the roll paper and the hollow shaft are in contact with each other;

the drug is dispensed while a sheet tension is adjusted in accordance with a roll paper diameter on the basis of signals of the angular sensor and the length measuring sensor; and

the shift between the roll paper detachably attached to the hollow shaft and the hollow shaft is detected by discordance between the signal of the angular sensor and the signal of the shift detection sensor,

B. comprising a hollow core tube and the roll paper on which the drug dispensing sheet is wound in a roll state;

C. wherein a plurality of magnets are disposed at positions where a winding amount of the sheet can be calculated from a detection signal of the rotation angle by the angular sensor provided on the support shaft and the detection signal of the length measuring sensor, and the detection by the angular sensor can be executed in order to give the sheet tension according to the winding amount of the sheet of the roll paper to the hollow shaft; and

D. the magnets are disposed so as to be rotated with the roll paper."

(3) The term "described" shall be added after "list I" and the "same II" on page 6, line 16 in the judgment in prior instance, respectively.

(4) The portion "(Exhibits Ko 9, 10, 15, Exhibits Otsu 22, 40)" on page 6, line 20 in the judgment in prior instance shall be revised to "(Exhibits Ko 9, 10, 15, Exhibits Otsu 22, 23, Exhibit Otsu 24-1/2, Exhibits Otsu 40, 50 to 52, 79, 80, Exhibit Otsu 88-1/2, Exhibits Otsu 89, 113)".

(5) The term "through" on page 6, line 24, page 7, line 2 in the judgment in prior instance shall be revised to "through and the like", respectively.

(6) The portion on page 7, lines 3 to 6 in the judgment in prior instance shall be revised as follows.

"C. The first court defendant NEXT entrusted production of the defendant NEXT's product and the defendant Yoshiya's product (hereinafter, both are collectively referred to as the "defendants' products") with non-party Best Co., Ltd. (hereinafter referred to as "Best") at the first and then, with Hakuba-Sanyo Co., Ltd. and Seiey Co., Ltd. (hereinafter referred to as "Seiey"), and Hakuba-Sanyo performed the process of winding the single-type drug dispensing sheet around the hollow core tube and entrusted the process of winding the double-type drug dispensing sheet around the hollow core tube with Kudo Shiko Co., Ltd."

(7) The portion on page 7, lines 7 to 21 in the judgment in prior instance shall be revised as follows.

"(6) The defendant NEXT's product and the defendant Yoshiya's product (Exhibit Ko 19, Exhibits Otsu 15, 16, 20, entire import of oral argument).

The configurations of the defendant NEXT's product and the defendant Yoshiya's product are as in the defendant NEXT's product instruction manual and the defendant Yoshiya's product instruction manual in the attachment in the judgment in prior instance, and they are organized along the description of the constituent features of the present corrected invention as follows.

a. The defendant's product is constituted by a hollow core tube (used core tube made by the plaintiff) and roll paper on which a drug dispensing sheet is

- wound in a roll state (Fig. 1 in the defendant NEXT's product instruction manual and Fig. 1 in the defendant Yoshiya's product instruction manual),
- b. on the hollow core tube (Fig. 2 in the defendant NEXT's product instruction manual and Fig. 2 in the defendant Yoshiya's product instruction manual), three magnets are disposed on a circumference inside an end portion plastic opposite to an insertion direction into the hollow shaft provided in the drug dispensing device made by the plaintiff (Fig. 3, reference numeral 9 in the defendant NEXT's product instruction manual and Fig. 3, reference numeral 9 in the defendant Yoshiya's product instruction manual), and a steel ring of a ferromagnetic body having a thickness of 1.5 mm is fitted with the end portion in the insertion direction of the hollow shaft (Fig. 3, reference numeral 7 in the defendant NEXT's product instruction manual and Fig. 3, reference numeral 7 in the defendant Yoshiya's product instruction manual)
  - c. the magnets are disposed inside the plastic configuring the hollow core tube (Fig. 3, reference numeral 9 in the defendant NEXT's product instruction manual and Fig. 3, reference numeral 9 in the defendant Yoshiya's product instruction manual) and are rotated with the wound roll paper.
  - d. The drug dispensing roll paper.

(8) The description on page 7, lines 22 to 24 in the judgment in prior instance shall be revised as follows.

"B. Since the defendant's product was produced by using the used core tube made by the first court plaintiff as it is to which the present trademark 1 or the present trademark 1 and the present trademark 2 are attached by the first court plaintiff, and the present trademark 1 was marked by embossing on the plastic ring on an outer end surface of the hollow core tube in the defendant's product for the present trademark 1 on October 3, 2008 and after at the latest and the present trademark 2 on April 27, 2012 which is the date of registration thereof and after."

#### 4. Issues

- (1) Whether the defendant's product belongs to the technical scope of the present corrected invention (Issue (1)).
- (2) Whether the present patent should be invalidated through a trial for patent invalidation (Issue (2)).
  - A. Whether it is applicable to addition of new matter at the amendment (Issue (2)A).
  - B. Whether it is applicable to violation of the support requirement (Issue (2)B).
  - C. Whether it lacks clarity (Issue (2)C).

- D. Whether it is applicable to violation of division requirement (Issue (2)D).
- (3) Whether exercise of the present patent right is applicable to abuse of rights (Issue (3)).
- (4) Whether infringement of each of the present trademark rights is established (Issue (4)).
  - A. Whether it has visibility (Issue (4)A).
  - B. Identity of designated goods (Issue (4)B).
  - C. Applicability of Article 26, paragraph (1), item (vi) of the Trademark Act (Issue (4)C).
  - D. Substantial illegality (Issue (4)D).
- (5) Whether exercise of each of the present trademark rights is applicable to abuse of rights (Issue (5)).
- (6) Necessity of injunction on the ground of each of the present trademark rights (Issue (6)).
- (7) Damages of the first court plaintiff (Issue (7))
  - A. Presumption of the amount of damages under Article 102, paragraph (2) of the Patent Act or Article 38, paragraph (2) of the Trademark Act (Issue (7)A)
  - B. Establishment of extinctive prescription (Issue (7)B)
  - C. Rebuttal of presumption (Issue (7)C)
- (8) Establishment of joint tort of the first court defendants (Issue (8))
- (9) Presence/absence of unjust enrichment and the amount thereof (Issue (9))

(omitted)

#### No. 4 Judgment of this court

This court judges that each of the claims of the first court plaintiff is grounded to the limit that payment of the damages in the amount of 4,156,644 yen from the first court defendant NEXT, the damages in the amount of 716,378 yen jointly from the first court defendants, unjust enrichment value of 827,834 yen from the first court defendant NEXT, and unjust enrichment value of 474,242 yen from the first court defendant Yoshiya and the delay damages to them, while none of the remaining claims is grounded. The reasons are as follows.

Note that the first court plaintiff alleges that each of the aforementioned allegations made in the present brief submitted by the first court defendants on May 29, 2019 should be dismissed as belated allegations and defenses, but that is not found

to delay completion of the lawsuit in view of the history of this lawsuit and thus, it shall not be dismissed as the belated allegations and defenses.

1. Issue (1) (Whether the defendant's product belongs to the technical scope of the present corrected invention.)

(1) It is found that the present Description has the disclosure as below.

A. In the drug dispensing device in which a sheet of the roll paper in which a sheet of thermally fusible dispensing paper is wound in a roll state is taken out of the sheet supply portion (sheet feeding portion) and folded in half and the drug is supplied between them and then, the sheet is heated/fused into a band shape in the width direction and both side edge portions by the sealing device, when the sheet fuses the peripheral edges and the like, it is preferable that the sheet is taken out with a constant tension at all times so as to avoid such a state that the sheet is not folded accurately in half and sealed in a slightly shifted state, but actually, the roll diameter is changed in accordance with a taken-out amount of the sheet, and the taking-out tension fluctuates little by little, which is a problem (paragraphs [0001] to [0003]). Thus, such a sheet tension adjusting device has been conventionally proposed that a change in the winding amount by use of the sheet is detected in steps by a winding-diameter detection sensor, and an electromagnetic force of an electromagnetic brake is adjusted by a signal of this winding-diameter detection sensor and the brake force is weakened in steps as the roll diameter is made smaller so that the tension becomes substantially constant even if the roll diameter is changed (paragraph [0004]). However, since such a method that the change in the winding amount by use of the sheet is detected in steps by the winding-diameter detection sensor is employed in the conventional sheet tension adjusting device, when the diameter reaches such a diameter at which a rank of the detection sensor is switched, a vibration phenomenon occurs in which the brake force of the electromagnetic brake fluctuates vertically at each rotation due to causes such as eccentricity of a core tube axis, a weight of the sheet, a winding distortion, and the like, and the edge portions of the sheet are not accurately overlapped due to the tension fluctuation when the sheet is folded in half in the dispensing portion; that is, so-called an edge shift occurs, and a defective packaged portion is generated, or rapid fluctuation in the brake force rank causes a tear in the

width direction in some cases (paragraphs [0005], [0006]).

B. The present corrected invention pays attention to the conventional problem in the drug dispensing device and has an object to provide the drug dispensing roll paper used for a drug dispensing device capable of accurately setting a brake force at each step without generating level fluctuation in the brake force selected in steps which should be controlled in accordance with an influence of slight fluctuation in the roll paper diameter by the winding state of the roll paper in which an extremely thin sheet is wound, stably giving a proper tension according to the diameter of the roll paper to the sheet feeding portion, and capable of dispensing the drug with a dispensing sheet without causing an edge shift or a tear in the sheet and capable of giving rotation angle data to an angular sensor in the sheet feeding portion of the dispensing device, and as means for solving the problem, the configuration of a drug dispensing roll paper used for a drug dispensing device is employed, including:

a sheet feeding portion in which a hollow shaft is provided rotatably around a non-rotatably supported support shaft, a motor brake is engaged with the hollow shaft, and a sheet of the roll paper detachably attached to the hollow shaft is fed out by a feeding roller; and a dispensing portion for folding the sheet in half, inputting the drug between the halves from a hopper, and having a heating roller for heat-sealing the sheet into which the drug was input into a band shape in a width direction and both side edge portions at a predetermined interval, wherein

an angular sensor is provided on the support shaft in order to detect a rotation angle of the roll paper;

a length measuring sensor for measuring a sheet feeding length on a sheet feeding path to the dispensing portion is provided;

means for detachably fixing the roll paper to the hollow shaft and integrally rotating both at the fixation is provided on an end where the roll paper and the hollow shaft are in contact with each other; and

the drug is dispensed while a sheet tension is adjusted in accordance with a roll paper diameter on the basis of signals of the two sensors, comprising a hollow core tube and the roll paper on which the drug dispensing sheet is wound in a roll state;

a magnet is disposed at a position where a winding amount of the sheet can be calculated from by a detection signal of the rotation angle by the angular

sensor provided on the support shaft and the detection signal of the length measuring sensor in order to give a sheet tension according to the winding amount of the sheet of the roll paper to the hollow shaft, and the detection can be made by the angular sensor (paragraphs [0011], [0012]).

The drug dispensing roll paper of the present corrected invention is the roll paper with simple configuration comprising the hollow core tube and the roll paper wound therearound and capable of adjustment of the sheet tension by detecting the magnet disposed at the position capable of detecting the sheet winding amount by the angular sensor on the support shaft and exerts the effect that the dispensing action without the edge shift or tear can be realized by using this for the drug dispensing device (paragraph [0068]).

(2) Meaning of "used" in the constituent feature A

The present corrected invention is an invention relating to the "drug dispensing roll paper" comprising the constituent features A to D (constituent feature E), and the matter related to the drug dispensing device is described in the constituent feature A, the matter related to the roll paper as well as the hollow core tube thereof and the plurality of magnets disposed on the roll paper (hereinafter collectively referred to as the "present roll paper and the like") in the constituent features B and D, and the matter related to the drug dispensing device and the roll paper in the constituent feature C, respectively, and in the constituent feature A, the relationship between the roll paper and the drug dispensing device is described such that the former is "used" for the latter.

The present corrected invention is found to be the invention of an article which is the "drug dispensing roll paper", and since the description in the scope of the claims of the invention of the article should be interpreted to specify the structure, characteristics, and the like of the article, and the term "used" is described such as "used for the drug dispensing device configured such that ..." in the constituent feature A, the term "used" is interpreted to express that the present roll paper and the like are usable in the drug dispensing device specified by the constituent feature A.

(3) Fulfillment of constituent feature of the defendant's product

A. By examining the aforementioned (2) on the premise, the description that "the angular sensor is provided on one end of the support shaft in

order to detect the rotation angle of the roll paper" in the constituent feature A can be understood to specify that the "plurality of magnets" of the present roll paper and the like are disposed at positions where detection can be executed by the angular sensor provided on the one end of the support shaft, and the description that "the roll paper is detachably fixed to the hollow shaft and means for integrally rotating the both at the fixation is provided at an end where the roll paper and the hollow shaft are in contact with each other" in the constituent feature A can be understood to specify that, by providing the means for detachably fixing the present roll paper and the like to the support shaft on the end of the hollow core tube in contact with the hollow shaft of the drug dispensing device, the present roll paper and the like are rotated in such a form.

Then, since the technical scope of the drug dispensing roll paper according to the present corrected invention is defined by the matter according to the aforementioned specification by the constituent features B to E and the constituent feature A, the defendant's product including the configuration as the present roll paper and the like specified by the constituent features A to E and usable for the drug dispensing device specified by the constituent feature A is found to belong to the technical scope of the present corrected invention, and it is interpreted that whether or not the defendant's product is actually used for the drug dispensing device specified by the constituent feature A does not influence the judgment on fulfillment of the aforementioned constituent features.

B(A) The defendant's product has the configuration as in the basic facts (6), and according to the entire import of oral argument, the configurations a, b, c, and d of the defendant's product are found to fulfill the constituent features B, C, D, and E of the present corrected invention, respectively.

(B) According to the entire import of oral argument, the three magnets disposed inside the hollow core tube of the defendant's product are disposed at positions where the detection of the signal by the angular sensor installed at the one end of the support shaft is possible, and the defendant's product is detachably attached to the hollow shaft of the drug dispensing device and can be rotated integrally with the hollow shaft at the fixation, and the means is found to be provided on the end where the roll paper and the hollow shaft are in contact with each other.

(C) Therefore, the defendant's product is found to fulfill the matter according to the specification in the aforementioned A by the constituent features B to E and the constituent feature A and can be used for the drug dispensing device specified by the constituent feature A.

C. Thus, the defendant's product is found to belong to the technical scope of the present corrected invention.

(4) Allegation by the first court defendants

- A. The first court defendants allege that the present corrected invention is a use invention, and the feature portion which should be protected in the present corrected invention is the configuration or function on the drug dispensing device side and thus, infringement on the present patent right is not established until the defendant's product is used for the drug dispensing device fulfilling the constituent feature A.

However, as examined in the aforementioned (2), the present corrected invention is not a use invention. Moreover, the technical meaning of the present corrected invention is as found in the aforementioned (1) and the feature portion of the present corrected invention is not only in the drug dispensing device.

Therefore, the aforementioned allegation by the first court defendants cannot be employed.

The JPO's examination guidelines (Exhibit Ko 22) are not interpreted, either, to require interpretation of a sub-combination invention similarly to the use invention.

- B. The first court defendants allege that the first court plaintiff alleged at the present amendment that the technical feature of the present corrected invention resides in the constituent feature A.

Although the first court plaintiff alleged in the written opinion (Exhibit Otsu 9) at the present amendment on the art described in the cited document in the notice of reasons of refusal prior to the present amendment that "the invention of the present application is an invention on the roll paper, having the configuration of the 'magnet disposed at the position where the winding amount of the roll paper can be detected by detecting the rotation angle and the detection signal of the length measuring sensor' and is based on the use for the drug dispensing device 'configured to detect a shift between the roll paper detachably attached to the hollow shaft and the hollow shaft by discordance between the signal of the angular sensor and the signal of the shift detection

sensor', and all the configurations of the entire invention of the present application should not be denied only for the reason that abstract and general configuration of the partial constituent member is publicly known or well known.", it is not immediately interpreted from the fact that the first court plaintiff even alleged that use for the drug dispensing device fulfilling the constituent feature A is needed and thus, the aforementioned allegation by the first court defendants cannot be employed.

C. Although the first court defendants have allegation on provisional finding by the court of prior instance, it is obvious that the judgment of this court is not influenced by the provisional finding by the court of prior instance.

2. Issue (2) (Whether the present patent should be invalidated through a trial for patent invalidation.)

(1) Issue (2)A (Whether addition of new matter at the amendment is applicable.)

A. The first court defendants allege that the amendment of Claim 1 at the filing in the present amendment from the "sheet is folded in half" to the "two-folded sheet" is introduction of a new technical matter of the sheet folded in advance outside the drug dispensing device and cannot be considered to be made within a range of the matter described in the Description first attached to the application at filing (Exhibit Otsu 6, hereinafter referred to as the "Description at the filing") and thus, there is an invalidation reason of violation of amendment requirement (Article 123, paragraph (1), item (i) of the Patent Act).

By examining that, paragraph [0018] in the Description at the filing has the description that "the dispensing portion is provided for heat-sealing the width direction and both side edge portions into a band shape at a predetermined interval by a heating roller 6 having a perforating cutter after input of a drug in a predetermined amount from the hopper 5 when being folded in half by a triangular plate 4.", but the description is not immediately interpreted to be based only on a single type sheet and moreover, it cannot be read from the Description at the filing that the present patent is based only on the single type sheet or that a double type sheet is particularly excluded.

Moreover, according to the evidences (Exhibits Ko 42-1 to 12, Exhibits Ko 43 to 48) and the entire import of oral argument, it is found that presence of the double type sheet folded in half in advance as the roll paper used for the drug dispensing device was a common general technical knowledge at the time of the date of original filing (September 22, 1997, hereinafter, referred to as the "date of original filing").

By considering both of the above, the description in paragraph [0018] in the

Description at the filing that "the dispensing portion ... after input of a drug in a predetermined amount from the hopper 5 when being folded in half by a triangular plate 4" refers to a state where the drug dispensing sheet is folded into a V-shape so that the drug can be input, and it can be understood that the description assumes not only the case in which the single type sheet is folded by the triangular plate 4 of the dispensing portion into the V-shape and the drug is input between the halves but also the case in which the double type sheet folded in half in advance before being conveyed to the dispensing portion is opened to the V-shape, and the drug is input into an opening portion therebetween,

Then, the amendment of Claim 1 at the filing from the "sheet is folded in half" to the "two-folded sheet" is not introduction of new technical matter but the amendment is found to be within the range of the matter described in the Description at the filing and thus, the aforementioned allegation by the first court defendants has no ground.

B. The first court defendants allege that the present corrected invention was created in order to solve the technical problem of the "edge shift", but the problem can occur only in the single type roll paper and paragraph [0018] in the Description at the filing should be interpreted to be based on the single type sheet.

However, as in the aforementioned 1(1), the problem of the present corrected invention is to enable dispensing of the drug without generating the edge shift or tear in the sheet by supplying the sheet to the dispensing portion by stably giving the proper tension according to the diameter of the roll paper to the sheet feeding portion, and it is found in this problem that there is no difference between the double type in which the sheet fed from the sheet feeding portion to the dispensing portion is folded in half in advance and the single type without folding.

Therefore, the aforementioned allegation by the first court defendants does not influence the finding judgment in the aforementioned A.

(2) Issue (2)B (Whether it is applicable to violation of the support requirement) and Issue (2)C (whether it lacks clarity.)

A. As examined in the aforementioned (1), the configuration of the "two-folded sheet" in the present corrected invention does not refer to the folding of the sheet but is understood to refer to the state where the drug dispensing sheet is folded into the V-shape so that the drug can be input whether or not the sheet was folded in half in advance outside the device (double type) (single type), and a person ordinarily skilled in the art can clearly understand that the "two-folded sheet" in constituent feature A has the above meaning from the wording of the "two-folded sheet" and also from the description in the present Description discussed in the aforementioned (1) and the

common general technical knowledge at the date of original filing, and this is described in the detailed description of the invention in the present Description.

Therefore, the "two-folded sheet" in the present corrected invention is not applicable to violation of the support requirement or does not lack clarity.

B. The first court defendants allege that the paragraphs [0012], [0018] in the present Description are on the single type drug dispensing sheet and moreover, the "timing of folding in half" makes the problem in this case.

However, as described in A above, the present Description cannot be considered to describe only the single type drug dispensing sheet, and the "timing of folding in half" has nothing to do with whether the sheet was folded in half in advance outside the device.

(3) Issue (2)D (Whether it is applicable to violation of division requirement.)

#### A. Embodiments

Since the first court defendants allege that the embodiment in the present Description has the first embodiment and the second embodiment mixed and is not within the range of the original Description at the filing, it is examined in the following.

(A) The embodiment described in the original Description at the filing

In the original application, [i] a sheet tension adjusting method using a length measuring sensor (Claims 1, 2, the first embodiment) and [ii] a sheet tension adjusting method using a length measuring sensor and an angular sensor (Claims 3 to 5, the second embodiment) are the scope of claims, and the first embodiment has detailed description in paragraphs [0028] to [0042] in the original Description at the filing and the second embodiment in paragraphs [0043] to [0081] thereof.

According to these descriptions, the two embodiments are in common in a point that both are a method in which "the diameter of the roll paper is simply (mechanically) divided into four stages, and at a point of time when this diameter reaches each stage, the motor brake is changed so as to adjust the tension." But with regard to the measurement at the point of time when the diameter reaches each of the stages, the measurement is made only by the length measuring sensor in the first embodiment, while the measurement is made by the length measuring sensor and the angular sensor in the second embodiment, and the configurations of the two embodiments cannot be mixed.

(B) Embodiments described in the present Description

The present patent is a divisional application from the original application (Exhibit Otsu 11), but paragraphs [0024] to [0031] in the present Description have description of the form that "a fed-out amount of a packaging sheet S of the roll paper

R is accurately calculated from the signal of the length measuring sensor and the signal of the rotation angle sensor so as to adjust the brake force in accordance with the change in the winding diameter of the roll paper R and to perform proper tension adjustment" (paragraph [0024] thereof), and this is identical to the tension adjusting method in the second embodiment of the original application.

Subsequently to that, the present Description has the description of the form in paragraphs [0032] to [0038] (prior to "In Fig. 8,") that the diameter of the roll paper is divided into four stages, and only the length measuring sensor is used to detect that the diameter has reached each of the stages, and this corresponds to the first embodiment of the original application. Then, it can be understood that this description is on the configuration of reference measurement which is different from the configuration in the aforementioned present Description [0024] to [0031] (second embodiment in the original application). And it can be understood that the present Description [0038] ("In Fig. 8" and after) to [0067] is the description conforming to the second embodiment in the original application (original Description at the filing [0043] to [0081]), and the example described in the present Description is the second embodiment of the original application as a whole.

Therefore, with regard to the embodiment described in the present Description, a new technical matter is not found to be introduced in view of the original Description at the filing.

#### B. "Field of the Invention"

Paragraph [0001] in the original Description at the filing has the description that "the sheet tension is adjusted in steps in accordance with the change in the diameter of the roll paper", and paragraph [0001] in the present Description has the description that "the sheet is fed from the sheet feeding portion while the tension of the sheet is adjusted, and the drug is dispensed in the dispensing portion". The first court defendants allege that the portion that "in accordance with the change in the diameter of the roll paper" is deleted from the present Description, which eliminates the limitation of the adjusting method of the sheet tension, and the target of the invention was widened.

However, in view of the description in paragraph [0004] in the present Description that "the tension is adjusted so as to be substantially constant even if the diameter of the sheet roll is changed" and the description in paragraph [0011] that "the proper tension according to the diameter of the roll paper is given to the sheet feeding portion", it is found that the invention is also for adjusting the sheet tension in steps in accordance with the change in the diameter of the roll paper, and a new technical

matter is not introduced in view of the original Description at the filing, and the allegation by the first court defendants cannot be employed.

C "Problems to be Solved by the Invention"

The first court defendants allege that the description not in the original Description at the filing is added to paragraphs [0008] to [0011] in the present Description.

(A) In this point, with regard to paragraph [0008] in the present Description that "on the other hand, the roll paper used for the drug dispensing device is formed by winding an extremely thin sheet of approximately 30  $\mu\text{m}$  of the aforementioned glassine paper or laminated paper around an outer periphery of the hollow core tube, and the length thereof is considerably as lengthy as 300 to 500 m in general. As a method for detecting the change in the winding diameter of such roll paper other than the method by the aforementioned winding diameter detection sensor, a method of attaching a sensor for detecting a rotation number of the support shaft on the rotating support shaft to which the roll paper is attached or a method of providing a projecting portion on an end of the hollow core tube of the roll paper and of reading a mark provided on the projecting portion by a photosensor and the like can be considered.", paragraphs [0007], [0030], and [0033] in the original Description at the filing have description that the materials of the roll paper include glassine paper and laminated paper, some of them have a thickness of approximately 30  $\mu\text{m}$ , the core tube of the roll paper is the hollow core tube, and the length of the roll paper is 300 m to 500 m.

Moreover, a person ordinarily skilled in the art who came to know the description in paragraph [0054] in the original Description at the filing that "as illustrated, when the fed-out amount 1 of the packaging sheet is fed out, if the winding amount radius is large as in (a), the number of pulses of the angular sensor is small, while if the winding amount radius is small as in (b), the number of pulses becomes larger. ..." can understand that the winding diameter of the roll paper can be grasped by detecting the rotation number of the roll paper, and various methods can be considered for detecting the rotation number, and it is found that a person ordinarily skilled in the art would understand that one of them can be the method of attaching the sensor for detecting the rotation number of the support shaft on the rotating support shaft.

Moreover, paragraphs [0048], [0049] in the original Description at the filing has the description on the "method of providing the projecting portion on an end of the hollow core tube of the roll paper and of reading the mark provided on the projecting portion by the photosensor".

From the above, paragraph [0008] in the present Description does not introduce a

new technical matter in view of the original Description at the filing.

(B) Subsequently, regarding paragraph [0009] in the present Description that "however, a rotation shift can occur between the rotating support shaft and the hollow core tube with the sensor on the rotating support shaft depending on the degree of tension when the sheet of the roll paper is fed out, and in order to accurately detect the rotation of the roll paper, the rotation of the roll paper itself needs to be accurately detected, and the method by the sensor on the rotating support shaft is not necessary (note in the judgment: found to be a clerical error of necessarily) appropriate.", a person ordinarily skilled in the art who came to know the description in paragraph [0071] in the original Description at the filing that "however, if the rotation resistance of the motor brake 20 by each of the aforementioned DC voltages is not appropriate, and the tension is slightly too strong at a tension level  $N = 2$ , for example, the roll paper R and the core tube P are integrally rotated strongly, and if an attraction fixed position to the ferromagnetic body 17 by the magnet 16 is shifted, for example, a signal by a Hall element sensor 25 issues pulse signals at an angle of  $22.5^\circ$  each, but two pulse signals by the proximity switch 26 are overlapped at the same position by the aforementioned shift, and the pulse signal is not issued at the subsequent angular position in some cases." is found to understand that, since the hollow core tube and the rotating support shaft can be shifted by the tension, providing a sensor for accurately detecting the rotation of the roll paper on the rotating support shaft is not necessarily appropriate. Therefore, paragraph [0008] in the present Description is not considered to introduce a new technical matter in view of the original Description at the filing.

(C) Then, regarding the paragraph [0010] in the present Description that "moreover, in the method of providing the projecting portion on the end of the hollow core tube, since the lengthy roll paper as above has a considerable weight as a whole, an operation such as attachment to the rotating support shaft is difficult, and there is a concern that the projecting portion can hit and damage the peripheral devices during the operation and thus, the method of providing the projecting portion is not preferable.", since the roll paper is as considerably lengthy as 300 to 500 m in general as described in the aforementioned (A), it can be easily presumed that the roll paper must be of a considerable weight and moreover, according to the evidences (Exhibits Ko 42-1 to 12, Exhibits Ko 43 to 48) and the entire import of oral argument, a large number of roll papers had been already sold at the time of the date of original filing, and it is found that a person ordinarily skilled in the art should have naturally known the weight of general roll paper. Then, the aforementioned description that, since the

roll paper is heavy and difficult to handle and the projecting portion can cause damage easily and should not be provided, which is newly added in paragraph [0010] in the present Description, is found to be a portion which is obvious for a person ordinarily skilled in the art and is not introduction of a new technical matter in the relationship with the original Description at the filing.

(D) Lastly, with regard to paragraph [0011] in the present Description, it is found that such description is added that "the drug dispensing roll paper used for the drug dispensing device capable of dispensing the drug with the dispensing sheet without causing an edge shift or a tear in the sheet and of giving rotation angle data to the angular sensor in the sheet feeding portion of the dispensing device" as compared with paragraph [0009] in the original Description at the filing. However, in view of paragraphs [0004] to [0006], [0020], [0022], [0044], [0046], and [0052] in the original Description at the filing, the original Description at the filing is found to have the description that "the roll paper R used for the drug dispensing device without causing a shift of an edge portion or a tear in the sheet, supported by the sheet feeding portion of the dispensing device, and having the magnet 24 provided in the core tube P, capable of giving the angle data to the Hall element sensor 25 which is an angular sensor in the support shaft 1 of the sheet feeding portion", and the aforementioned description newly added to paragraph [0009] in the present Description is not the introduction of a new technical matter in the relationship with the original Description at the filing.

#### D. "Function and Effect of the Invention"

With regard to paragraph [0015] in the present Description that "in this case, even if the brake force is changed in steps, since it is configured such that each rank of the brake force is switched sequentially from large to small so that the brake force is changed within a range not causing an edge shift or a tear by the change in the tension by the switching, such nonconformity that each rank of the brake force rapidly fluctuates up and down in the vicinity of the rank switching diameter of the brake force due to uneven winding of the winding diameter as in the conventional method of directly detecting the winding diameter of the roll paper does not occur because of a difference in the control method.", the first court defendants allege that the description related to the function and effect of the invention not in the original Description at the filing is added.

However, it is found that a person ordinarily skilled in the art who came to know the descriptions in paragraphs [0005], [0006], [0033], and [0017] in the original Description at the filing recognizes that there is described the invention in which

occurrence of rapid tension fluctuation by the vibration phenomenon caused by a slight change in the diameter of the unevenly wound roll paper as in the past is prevented and a shift or a tear in the sheet is prevented from occurring, and since paragraph [0015] in the present Description is not introduction of a new technical matter in view of the original Description at the filing, the allegation by the first court defendants cannot be employed.

E. Supplementary allegation by the first court defendants in this court

The first court defendants allege that [i] the judgment in prior instance found that the present patent was division application on the basis of Claims 3 to 5 in the original application, but when Claims 3 to 5 in the original application are compared with the present corrected invention, the control of the brake force is not specifically specified in the present corrected invention, unlike the original application, and the scope of right is wider; [ii] unlike paragraph [0051] in the original Description at the filing, the present corrected invention does not have limitation on the method of detecting discordance between the signal of the angular sensor and the signal of the shift detection sensor, and the detected "shift" is a shift between the roll paper and the hollow shaft; and [iii] there is no evidence sufficient to find that paragraphs [0008] to [0011] in the present Description are the background art as found by the judgment in prior instance.

However, with regard to the aforementioned [i], the present patent was divided from the entire original application, not divided on the basis of Claims 3 to 5 in the original application and thus, the aforementioned allegation by the first court defendants cannot be employed on the premise thereof. Moreover, with regard to the present corrected invention, from the description that "while the sheet tension is adjusted in accordance with the roll paper diameter on the basis of the signals of the angular sensor and the length measuring sensor", it can be understood that the angular sensor and the length measuring sensor are for adjusting the tension by measuring the roll paper diameter, and it is found that a person ordinarily skilled in the art who came to know the description in paragraph [0108] in the original Description at the filing that "in the third invention, a current winding amount length is acquired by a signal change of the other sensor with a predetermined amount of either one of the sensors as a reference on the basis of detection signals of the length measuring sensor and the angular sensor, and the tension is adjusted by selecting the brake force according to the diameter of the winding amount and thus, the tension can be adjusted by selecting the brake force from the diameter corresponding to the winding amount by obtaining the current winding amount from the measurement data even without knowing the

data of the total winding amount length in this method and therefore, such a merit can be obtained that the tension can be smoothly adjusted without rapid tension fluctuation similarly to the first invention." is found to understand that the length measuring sensor and the angular sensor are both provided for grasping the winding amount and for measuring the roll paper diameter through that and there can be various use states and processing methods of the signals other than those disclosed in the examples in the original Description at the filing, and the aforementioned allegation by the first court defendants cannot be employed.

Moreover, with regard to the aforementioned [ii], paragraph [0051] in the original Description at the filing is only description of the example, and [Claim 5] in the original application describes that "... characterized in that a shift between the roll paper detachably attached to a roll support cylinder and the roll support cylinder is detected by discordance between a signal of an angular sensor for detecting a rotation angle of the roll paper between the roll paper and the support shaft and a signal of the angular sensor for detecting a rotation angle of the roll support cylinder between the roll support cylinder and a fixed support plate ...", and a method for detecting the discordance between the signal of the angular sensor and the signal of the shift detection sensor is not particularly limited. Moreover, according to paragraphs [0071] to [0073], [0081] in the original Description at the filing, a person ordinarily skilled in the art is found to understand that a major cause of the "fed-out shift" in paragraph [0051] in the original Description at the filing is a shift between the roll paper and the hollow shaft. Therefore, the aforementioned allegation by the first court defendants cannot be employed.

With regard to the aforementioned [iii], the matter added in paragraphs [0008] to [0011] in the present Description is not violation of the division requirement as examined in the aforementioned C.

#### F. Summary

As described above, none of the allegations by the first court defendants on the violation of the division requirement and violation of novelty based on that can be employed.

### 3. Issue (3) (Whether it is applicable to abuse of rights)

Article 21 of the Antimonopoly Act stipulates that "the provisions of this Act do not apply to acts found to constitute an exercise of rights under the Copyright Act, Patent Act, Utility Model Act, Design Act, or Trademark Act." and the first court plaintiff's claim for damages under the infringement of the present patent right from

the first court defendants is applicable to the aforementioned "exercise of rights". In this point, the first court defendants allege the application of Article 21 of the Antimonopoly Act is excluded, and abuse of the rights is applicable since [i] as expressed in documents titled operation manuals (Exhibit Otsu 119) and "Request on dispensing paper" (Exhibit Otsu 120), the exercise of the rights by the first court plaintiff is unreasonable and made with an intention of monopolizing the market by excluding non-genuine products from the drug dispensing device made by the first court plaintiff; [ii] injunction was claimed without license negotiation or the like; [iii] the first court plaintiff's infringement allegation is to abstract the feature portion of the present corrected invention; and [iv] since the recycling operation using the used core tube of dispensing paper manufactured by the first court plaintiff is made totally impossible by the exercise of the present patent right, the application of Article 21 of the Antimonopoly Act is excluded, and the abuse of rights is applicable.

- (1) However, with regard to the aforementioned [i] and [iv], the first court defendants alleged that favorable dispensing can be realized even if the roll paper without the hollow core tube is used or the signal of the angular sensor cannot be obtained for the drug dispensing device made by the first court plaintiff and submitted evidences (Exhibit Otsu 32, Exhibits Otsu 33-1 to 3, Exhibit Otsu 34, Exhibits Otsu 35-1 to 3, Exhibit Otsu 39-1/2) supporting the allegation. If the aforementioned allegation by the first court defendants are correct, even though the reuse of the hollow core tube made by the first court plaintiff or production or sales of the non-genuine product in a form not infringing the present patent right was possible, it is not found that the operation related to the non-genuine product is rendered totally impossible by the exercise of the present patent right, the degree of restriction on the competition by the exercise of the present patent right is not found to be large.

Moreover, the descriptions on the operation manuals (Exhibit Otsu 119) and "Request on dispensing paper" (Exhibit Otsu 120) are only recommendation of use of the dispensing paper of the genuine product and cannot be found to immediately restrict the competition unfairly.

As described above, allegations [i] and [iv] by the first court defendants do not constitute grounds for the abuse of the rights by exercise of the present patent right.

- (2) With regard to the aforementioned [ii], non-licensing is also applicable to "exercise of rights" in general and thus, claims for injunction and for damages without the license negotiation do not immediately make the exercise of the

rights unreasonable.

(3) The aforementioned [iii] is based on the allegation by the first court defendants that the defendant's product needs to be actually used for the drug dispensing device specified by the constituent feature A in order for the infringement of the present patent right to be established, but the allegation is not grounded as examined in the aforementioned 1.

(4) Summary

As described above, the aforementioned allegations by the first court defendants cannot be employed, and the exercise of the present patent right is not abuse of rights.

4. Issue (4) (Whether infringement of each of the present trademark rights is established)

(1) Factual relations

According to the evidences and the entire import of oral argument, the following facts are found.

A. The first court plaintiff sells the drug dispensing device made by the first court plaintiff to customers such as dispensing pharmacies and also sells to the customers the roll paper compatible to it made by the first court plaintiff, and the first court plaintiff holds ownership of the hollow core tube of the roll paper and when the customer uses up the drug dispensing sheet wound on the roll paper, the first court plaintiff recovers the hollow core tube from the customer, and sells new roll paper to the customer (Exhibits Ko 11, 12, Exhibit Ko 13-1, Exhibit Otsu 106, Exhibits Otsu 109-1 to 3, Exhibit Otsu 110).

B. The form of the sales was such that the first court defendants were advertising the defendant's product by methods such as a website, a direct mail, FAX, and the like, and in response to an inquiry from a customer who saw it, an employee working at the first court defendants (on the side of the first court defendants, the same employee handled both the operation of the first court defendant NEXT and the operation of the first court defendant Yoshiya in some cases) explained purchase procedures to the customer by telephone or e-mail, the customer wrote the name of company/pharmacy, name of staff in charge, address, and telephone number in the "order/use permission" sent from the first court defendants, and sent it back (the employee of the first court defendants filled in the "order/use permission"

for the customer in some cases) and sent the used hollow core tube made by the first court plaintiff and ordered the defendant's product, and the first court defendants delivered the defendant's product with the bill of delivery (Exhibits Ko 9, 10, 18, Exhibits Otsu 4, 22, 23, Exhibit Otsu 24-1/2, Exhibit Otsu 25-1/2, Exhibit Otsu 26, Exhibit Otsu 77-1/2, Exhibit Otsu 113, the entire import of oral argument).

However, the aforementioned form of sales was not followed strictly, and the first court defendants sold the defendant's product without receiving the delivery of the hollow core tube from the customer and moreover, resale of the defendant's product was not particularly prohibited (Exhibit Ko 18, Exhibit Otsu 22, the entire import of oral argument).

C (A) The top page of the defendant NEXT's website at the time of February in 2013 is as in Attachment 2, and the sentences that "We sell non-genuine dispensing paper for dispenser manufacturers in common. We receive the used 'core tube for dispensing paper' held by the customer, have the core tube wound with the common dispensing paper and delivery it." are displayed as the "Guidance of common non-genuine dispensing paper" in a lower part of the page and moreover, by clicking the "non-genuine dispensing paper" on upper left of the top page, the web page for selling the non-genuine product (hereinafter, referred to as the "non-genuine product web page 1") is displayed. The description on the non-genuine product web page 1 is as in the attachment 3 and has the description that "genuine Yuyama dispensing paper is here →" on the upper right part and displayed various types of products subsequent to the description of "compatible with Yuyama dispenser", but on the same web page, the fact that it is a non-genuine product is not explicitly shown, and the price of the non-genuine product was lower than that of the genuine product (Exhibit Ko 9, Exhibit Otsu 23, entire import of oral argument).

(B) The defendant Yoshiya's website at the time of June in 2014 had the description of "\*various types of dispensing paper (non-genuine product)" on the top page thereof, and it is configured such that, by clicking the banner named "net shop ... yoshisya" on the left side of the same page, the top page of the net shop as in Attachment 4 was displayed, and by further clicking the "non-genuine dispensing paper" in the "product category" column on the left of the same page, the web page for selling the non-genuine dispensing sheets as in Attachment 5 (hereinafter referred to as the

"non-genuine product web page 2") was displayed, and on the non-genuine product web page 2, various types of products were displayed together with the description of "dispensing paper compatible with Yuyama dispenser" with the wording such as "product category", "non-genuine dispensing paper", "dispensing paper for Yuyama dispenser", and the like on the left side (Exhibit Ko 10, Exhibit Otsu 24-1/2).

- D. The first court defendant NEXT entrusted production of the defendant's product with Best at first and then, with Hakuba-Sanyo and Seiey. Hakuba-Sanyo and Kudo Shiko who was entrusted by Hakuba-Sanyo wound the drug dispensing sheet around the used hollow core tube made by the first court plaintiff sent from the first court defendant NEXT, Hakuba-Sanyo applied plastic packaging to it and sent it to the first court defendant NEXT, and it was sold by the first court defendants to customers. The used hollow core tubes included discolored or rusted ones, but those hollow core tubes were used for producing the defendant's product in some cases. (Exhibits Ko 15, 52, 53, Exhibits Otsu 22, 40, 50 to 52, 79, 80)
- E. Since the defendant's product was produced by using the used hollow core tube made by the first court plaintiff as it was, the present trademark 1 was indicated three-dimensionally on the surface of the end portion plastic ring of the hollow core tube of the defendant's product by embossing at one spot and the present trademark 2 was indicated at two spots along the circumference, and some of them are sufficiently visible. At the stage where Hakuba-Sanyo applied packaging on the defendant's product, it is not always easy to visually recognize them, but since the packaging is transparent, these trademarks are not substantially invisible, and when unpackaged, they are brought into a visible state. (Exhibit Ko 19, Exhibits Ko 21-1 to 3, Exhibits Otsu 5, 16, 20)
- F. In November 2014, search and seizure were executed for the first court defendant NEXT on the alleged facts of violation of the Trademark Act, and the first court defendant NEXT and the representative thereof ceased production and sales of the defendant's product in about the same month. The first court defendant NEXT and the representative thereof were found guilty of violation of the Trademark Act on March 18, 2016 in Iwakuni branch, Yamaguchi District Court (imposed a fine of 1 million yen and confiscation of 352 rolls of roll paper for the first court defendant NEXT and imprisonment for one year and six months and suspension of execution

for three years for the representative of the first court defendant NEXT), and after the appeal was dismissed and the final appeal was dismissed, the sentence was confirmed on October 15, 2017. Moreover, Hakuba-Sanyo and the representative thereof were also imposed a fine by the summary order at Iwakuni Summary Court on June 9, 2015. (Exhibit Ko 18, Exhibit Ko 27-1/2, Exhibits Otsu 17, 121, the entire import of oral argument)

(2) Issue (4)A (Whether it is visible or not)

- A. Each of the present trademarks is marked on the hollow core tube made by the first court plaintiff and configuring the defendant's product as in the aforementioned (1)E (present mark) and is found to be sufficiently visible.
- B. The first court defendants allege that [i] the present mark is extremely small and indistinct and moreover, the hollow core tube and the present mark are both in deep blue and visual recognition thereof is difficult or impossible; [ii] the first court plaintiff's product and the defendant's product were packaged with plastic at shipment, and the present mark is not likely to be visible; [iii] the defendant's product is heavy and could not be lifted up to be stared; [iv] there is no evidence that the defendant's product was visually recognized during the transaction process; and [v] even if it is physically visible, it is difficult to be visually recognized and cannot be normatively evaluated to be a trademark or use thereof.

However, the present mark is sufficiently visible as described above. As in the aforementioned (1)E, it is not necessarily easy to visually recognize the present mark attached to the defendant's product in a state packaged with plastic but it is not substantially invisible at all and is brought into a visible state when unpackaged and thus, the present mark is likely to be visually recognized in the process of distribution. Whether the defendant's product is heavy and could be lifted up to be stared does not influence the aforementioned finding.

Therefore, the present mark is considered to have a function as a trademark.

(3) Issue (4)B (Identity of designated goods)

Other than the amendment as follows, the description from page 44, line 22 to page 45, line 8 in the judgment in prior instance shall be cited as it is herein.

- A. The term "(A)" is added to the beginning on page 44, line 22 in the judgment in prior instance.
- B. The phrase "designated goods of each of the aforementioned present

trademarks" on page 45, lines 7 to 8 in the judgment in prior instance shall be revised to the "aforementioned designated goods of each of the present trademarks".

C. The following portion is added at the end of page 45, line 8 in the judgment in prior instance as a new paragraph.

"(B) The first court defendants allege that the first court plaintiff made the allegation distinguishing the 'core tube' from the 'sheet' in another lawsuit so as to escape exhaustion of the patent right, while the allegation on integrity of the 'core tube' and the 'sheet' in the scene of the trademark right infringement in this lawsuit contradicts estoppel.

However, the problem in each of the present trademark right infringements is whether the core tube and the drug dispensing sheet are integral from a viewpoint of the consumer and whether or not each of the present trademarks functions as indication of source of the drug dispensing roll paper, and the argument of the exhaustion in another lawsuit is totally different including its requirements and thus, the allegation by the first court plaintiff in this lawsuit does not contradict the estoppel."

(4) Issues (4)C, D (Applicability of Article 26, paragraph (1), item (vi) of the Trademark Act and substantial illegality)

A. According to the found facts in the aforementioned (1) and the examinations in the aforementioned (2) and (3), since the first court defendants attached each of the present trademarks to the "drug dispensing roll paper" (defendant's product) included in the designated goods in such a form that the function as the trademark is exerted, the act of the first court defendants is applicable to the trademark right infringement, and Article 26, paragraph (1), item (vi) of the Trademark Act is not applied, and the substantial illegality has no lack.

B. The first court defendants allege that, since the first court defendants sold the goods by explicitly indicating that the goods are non-genuine products and the purchasers are dispensing pharmacies, the purchasers accurately recognize that the defendant's product is a non-genuine product; that is, it is not the first court plaintiff's product, and since a source indicating function or a quality assurance function is not harmed, Article 26, paragraph (1), item (vi) of the Trademark Act is applied or the substantial illegality is lacking and thus, the trademark right infringement is not established.

However, by considering each of the circumstances in (A) to (E) below, it is not found that all the purchasers accurately recognized that the defendant's product was a non-genuine product; that is, it is not the product of the first court plaintiff, and the aforementioned allegation by the first court defendants lacks the premise and cannot be employed.

- (A) First, as in the aforementioned (1)B, the defendant's product is advertised not only on the website but by direct mails, FAX, and the like, and it is found that the customers purchase the defendant's product not via the website of the first court defendants in some cases, but in what form the advertisement was made in the direct mails or FAX is not necessarily obvious in the evidences.
- (B) The first court defendants allege that they explained to the customers that the products are non-genuine, but the employee operating under the first court defendants made obscure statement in the open court of the criminal case that "when I made oral explanation on the phone, I explained 'it is different from genuine paper'.", "I think I also explained that the product was not genuine in the e-mail to the customers as in the explanation on the phone but I don't remember well." (Exhibit Otsu 4) and moreover, no evidence such as service manuals to the customers or e-mails sent to the customers which support the statement were submitted and thus, it is not found that the explanation as alleged by the first court defendants was made to the customers at all times.
- (C) With regard to the "order/use permission" sent by the customer to the first court defendants in order to propose purchase of the defendant's product, the word "non-genuine" (Exhibit Otsu 25-1/2) is described later and it is not obvious on the evidence that it is described at all times, and the word of "non-genuine" is not displayed particularly largely or with emphasis and thus, even if it is described, the customer might not notice it. And as in the aforementioned (1)B, since there is a case in which the defendant's product was sold without receiving the used core tube sent by the customer, the aforementioned "order/user permission" is not found to be used at all times.

The delivery bill (Exhibit Otsu 26) only describes that "the dispensing paper was made of the core received from the customer." and does not explicitly indicate that it is a non-genuine product.

- (D) As in the aforementioned (1)C, the website of the first court defendants

had the description of the "non-genuine dispensing paper" but on the non-genuine product web page 1 on the defendant NEXT's website, only various types of products are displayed with the description of "compatible with Yuyama dispenser" and the fact that they are not non-genuine products is not explicitly described and moreover, on the non-genuine product web page 2 on the defendant Yoshiya's website, also, various types of products are displayed with the description of "compatible with Yuyama dispenser" and the description of the "non-genuine dispensing paper" is only described in small type on the left column and thus, it is not found that all the purchasers who came to the website of the first court defendants accurately recognize that the defendant's product is the non-genuine product.

- (E) Even though the purchasers are dispensing pharmacies, their attention is not necessarily higher than general consumers at all times, and even though one of the purchasers recognized that the defendant's product is a non-genuine product (Exhibits Otsu 19, 113), it does not mean that all the purchasers have the same recognition.

The first court defendants allege that the pharmacists in the dispensing pharmacies share the information on the supplier or contacts of the drug dispensing roll paper used at the dispensing pharmacies but from the examination in the aforementioned (A) to (E), the dispensing pharmacies do not necessarily purchase the defendant's product as the non-genuine product (product not by the first court plaintiff) and thus, whether the information on the supplier or contacts are shared or not does not influence the conclusion of the present case.

#### (5) Summary

As described above, the act of the first court defendants does not infringe the right related to each of the present trademarks.

#### 5. Issue (5) (Whether exercise of each of the present trademark rights is applicable to abuse of rights)

- (1) The first court plaintiff's claim for damages from the first court defendants on the ground of each of the present trademark rights is applicable to the "exercise of rights" under Article 21 of the Antimonopoly Act.
- (2) The first court defendants allege that the source indication function or the quality assurance function of each of the present trademarks is hardly harmed

by the sales of the defendant's product, while if the exercise of the trademark right in the form as this case is admitted, the non-genuine product business reusing the hollow core tube made by the first court plaintiff is made impossible, the consumers are deprived of a chance to purchase more inexpensive "non-genuine dispensing paper" and moreover, since the first court plaintiff's object of restricting competition and monopolizing the market is obvious from the operation manuals and the document titled "Request on dispensing paper", Article 21 of the Antimonopoly Act is not applied to the exercise of each of the trademark rights, and it is applicable to abuse of the rights.

However, the function of each the present trademarks was harmed as described in the aforementioned 4, and the degree cannot be considered to be slight.

Moreover, as examined in the aforementioned 3(1), it is not impossible to proceed with production or sales of the non-genuine product without using the hollow core tube made by the first court plaintiff to which each of the present trademarks is attached and thus, it is not found that the competition is largely restricted by the exercise of each of the present trademark rights.

Furthermore, the operation manuals (Exhibit Otsu 119) and the document titled "Request on dispensing paper" (Exhibit Otsu 120) do not immediately and unfairly restrict the competition as examined in the aforementioned 3(1).

- (3) As described above, the aforementioned allegation by the first court defendants cannot be employed, and it is not found that the exercise of each of the present trademark rights is applicable to abuse of the rights.

6. Issue (6) (Necessity of injunction on the ground of each of the present trademark rights)

The judgment in prior instance from page 46, line 13 to page 47, line 1 is cited herein other than the amendment as follows.

- (1) The term "(1)" shall be added to the beginning on page 46, line 13 in the judgment in prior instance.
- (2) The portion "aforementioned 1(6)" on page 46, lines 13 and 24 in the judgment in prior instance shall be revised to "aforementioned 4(1)F", respectively.
- (3) The portion on page 46, lines 18 to 21 in the judgment in prior instance shall be revised as follows.

"by comprehensively considering that four years or more have passed since the sales of the defendant's product were ceased and the roll paper was confiscated by the judgment to the first court defendant NEXT as in the aforementioned 4(1)F together with the entire import of oral argument, it is found that the first court defendants do not hold the inventory of the defendant's product and semi-finished product at the present."

- (4) The portion "is thought" on page 46, line 23 in the judgment in prior instance shall be revised to "what is thought".
- (5) The portion "and thus," on page 46, line 25 in the judgment in prior instance shall be revised to "and in view of the fact that more strict criminal penalty is likely to be imposed on the first court defendant NEXT and the representative thereof sentenced guilty above if they infringe each of the present trademark rights again in the near future, and Hakuba-Sanyo was liable for criminal responsibility as in the aforementioned 4(1)F, by comprehensively considering that it is not necessarily easy for the first court defendants to find such operators as Best, Hakuba-Sanyo, and Seiey who would cooperate with the first court defendants,".
- (6) The portion "(object of requests 1 to 6)" on page 46, line 26 in the judgment in prior instance shall be deleted.
- (7) The following portion shall be added at the end on page 47, line 1 in the judgment in prior instance as a new paragraph.

"(2) The first court plaintiff alleges that injunction is needed since the first court defendants do not admit infringement of the trademark right and consistently dispute over it and resumption of production, sales, and the website is easy.

However, even on the basis of the aforementioned allegation by the first court plaintiff, the judgment in the aforementioned (1) is not influenced."

#### 7. Issue (7) (Damages of the first court plaintiff)

The portion from page 47 line 3 to page 50, line 18 in the judgment in prior instance is cited herein other than the amendment as follows.

- (1) The portion "defendant NEXT's product" on page 47, line 11 in the judgment in prior instance shall be revised to "defendant's product".
- (2) The portion "Extinctive prescription (Issue (5)B)" on page 47, line 13 in the judgment in prior instance shall be revised to "Issue (7)B (Establishment of extinctive prescription)"

- (3) The portion "(Exhibits Ko 16, 17)" on page 47, line 17 in the judgment in prior instance shall be revised to "(Exhibit Ko 16-1, Exhibit Ko 17-1)".
- (4) The portion "damage and perpetrator related to the infringement of the present patent right and the infringement of each of the present trademark rights" from page 47 lines 20 to 21 in the judgment in prior instance shall be revised to "damage and perpetrator related to the infringement of the present patent right and each of the present trademark rights".
- (5) The portion "Presumption of the amount of damages under Article 102, paragraph (2) of the Patent Act, Article 38, paragraph (2) of the Trademark Act (Issue (5)A)" on page 47, line 25 of the judgment in prior instance shall be revised to "Issue (7)A (Presumption of the amount of damages under Article 102, paragraph (2) of the Patent Act or Article 38, paragraph (2) of the Trademark Act)".
- (6) The portion "(Exhibits Otsu 71, 75, 94)" on page 48, line 1 in the judgment in prior instance shall be revised to "(Exhibits Otsu 71-1 to 3, Exhibit Otsu 75-1, Exhibits Otsu 75-2-1 to 133, Exhibits Otsu 75-3-1 to 104, Exhibit Otsu 94)".
- (7) The portion "(Exhibits Otsu 66, 72, 73, 76, 88, 95)" on page 48, line 6 in the judgment in prior instance shall be revised to "(Exhibit Otsu 66, Exhibits Otsu 71-1 to 3, Exhibit Otsu 72, Exhibit Otsu 73-1/2, Exhibit Otsu 76-1/2, Exhibit Otsu 88-1/2, Exhibit Otsu 95)".
- (8) The term "defendant" on page 48, line 10 in the judgment in prior instance shall be revised to "first court defendants".
- (9) The portion "(Exhibit Otsu 74)" on page 48, line 11 in the judgment in prior instance shall be revised to "(Exhibit Otsu 74-1/2)".
- (10) The portion "(Exhibit Otsu 77)" on page 48, line 12 in the judgment in prior instance shall be revised to "(Exhibits Otsu 77-1 to 3)".
- (11) The portion from page 49, line 9 to page 50, line 2 in the judgment in prior instance shall be revised as follows.

"(3) Issue (7)C (Rebuttal of presumption)

A. The drug dispensing paper is indispensable for using the drug dispensing device for operation and thus, a user of the device shall regularly purchase roll paper compatible with the drug dispensing device held by the user. Since the defendant's product was made by winding the dispensing paper again on the hollow core tube made by the first court plaintiff and was sold as capable of being used in the drug dispensing device made by the first court plaintiff, the consumer is considered to purchase the defendant's product as a substitute for

the roll paper made by the first court plaintiff.

With regard to the presumption of the amount of damages under Article 102, paragraph (2) of the Patent Act, the first court defendants allege that sales of non-genuine products are generally carried out in the drug dispensing paper business, and even if the defendant's product was not sold, most of the demand should have been directed toward other inexpensive non-genuine products, but there is no evidence sufficient to admit that the roll paper that can be used in the drug dispensing device made by the first court plaintiff was present other than the roll paper made by the first court plaintiff or the defendant's product.

Therefore, if the defendant's product was not present in the market, it is assumed that the consumer would purchase the roll paper made by the first court plaintiff regardless of the price and thus, the advantage of the price of the defendant's product over the genuine product does not rebut the presumption in the aforementioned (2) under Article 102, paragraph (2) of the Patent Act.

B. In this case, the claim for damages on the ground of infringement of the patent right and the claim for damages on the ground of infringement of the trademark right are selective merging and as described in the aforementioned A, the allegation by the first court defendants on the rebuttal of presumption related to Article 102, paragraph (2) of the Patent act is not grounded, and the presumption of the damages under the same clause reaches the total amount of the profits found in the aforementioned (2) that the first court defendants obtained through the sales of the defendant's product. Therefore, in this case, it is no longer necessary to judge the claim for damages on the ground the infringement of the trademark right including the rebuttal of presumption.

#### (4) Summary

Therefore, under Article 102, paragraph (2) of the Patent Act, it is found that the first court plaintiff suffered damages of 4,156,644 yen for the defendant NEXT's product and 716,378 yen for the defendant Yoshiya's product."

#### 8. Issue (8) (Establishment of joint tort of the first court defendants)

(1) As described in the aforementioned 4(1), the first court defendant NEXT and the first court defendant Yoshiya both performed the operation in the form of recovering the used hollow core tubes of the drug dispensing roll paper made by the first court defendant, winding the drug dispensing sheet corresponding to the respective hollow core tubes again, and selling them and moreover, the same employee handled the sales operations of both the first court defendant NEXT and the first court defendant Yoshiya in some cases.

In addition to the above, the first court defendant Yoshiya purchased the defendant Yoshiya's product only from the first court defendant NEXT (Exhibits Otsu 90-1 to 6, entire import of oral argument) and together with the fact that the representatives of the first court defendants were in common until April 1, 2015 (obvious fact to the court), it is found that the first court defendants performed the sales operation of the defendant Yoshiya's product altogether and thus, it is reasonable to admit the establishment of the joint tort to the first court plaintiff with regard to the sales of the defendant Yoshiya's product, and the first court defendants take joint and several liability of the total amount of damages suffered by the first court plaintiff in relation to the defendant Yoshiya's product.

- (2) Therefore, the first court defendant NEXT shall take liability of damages of 4,156,644 yen for the defendant NEXT's product and the first court defendants shall jointly take liability of damages for 716,378 yen for the defendant Yoshiya's product.

9. Issue (9) (Presence/absence of unjust enrichment and the amount thereof)

The description on page 50, line 20 to page 55, line 3 in the judgment in prior instance is cited herein other than the revision as follows.

- (1) The portion "(Exhibits Otsu 72, 87, 90)" on page 50, line 26 in the judgment in prior instance shall be revised to "(Exhibits Otsu 72, 90-1 to 6)".
- (2) The portion "and thus" on page 50, line 22 and after and line 23 in the judgment in prior instance shall be revised to ".".
- (3) The portion from page 51, lines 4 to 5 in the judgment in prior instance shall be revised as follows.

"The sales from October 3, 2008 to December 31 of the same year: 1,300,500 yen (in that amount, sales to the first court defendant Yoshiya was 1,185,300 yen, the sales throughout the year of 2008 is 4,121,700 yen.)"

- (4) The description on page 51, line 9 in the judgment in prior instance shall be revised as follows.

"2012: 11,788,150 yen (the same 5,341,000 yen)

(in that amount, sales from January 1 to April 26 in 2012: 2,451,666 yen)"

- (5) The portion from page 51, line 13 to page 52, line 2 in the judgment in prior instance shall be revised as follows.

"(A) The sales of the defendant Yoshiya's product in the period from 2010 to August 1, 2013 are 11,200,185 yen in total (Exhibits Otsu 91-1 to 5). Here, the sales situation of the first court defendant NEXT in 2008 and 2009 has no large difference

from the sales situation in 2010 and thus, it is reasonable to assume that the first court defendant Yoshiya also had the sales in 2008 and 2009 to the same degree as that in 2010, and it is found that the sales in 2009 is 1,124,796 yen, and the sales from October 3, 2008 to the end of December of the same year is also found to be 303,695 yen from the entire import of oral argument. Therefore, the sale of the defendant Yoshiya's product in the period from October 3, 2008 to August 1, 2013 is 12,628,676 yen in total, in which the sales in each year are as follows.

October 3, 2008 to December 31 of the same year: 303,695 yen

2009: 1,124,796 yen

2010: 1,124,796 yen

2011: 2,517,945 yen

2012: 4,893,614 yen

(Sales from January 1 to April 26 in 2012: 1,109,581 yen)

January 1, 2013 to August 1 of the same year: 2,663,830 yen"

(6) Each "Exhibit Otsu 91" on page 52, lines 3, 7 in the judgment in prior instance shall be revised to "Exhibits Otsu 92-1 to 5", respectively.

(7) The portion "2008 to 12" on page 52, line 10 in the judgment in prior instance shall be revised to "2008 to 2012".

(8) The portion "present invention" on page 52, line 14 in the judgment in prior instance shall be revised to the "present corrected invention".

(9) The portion "see the aforementioned 5(2)" on page 52, line 15 in the judgment in prior instance shall be revised to "see the applicable portion in the judgment in prior instance cited in the aforementioned 7".

(10) The portion "aforementioned 4(3) on page 52, line 25 in the judgement in prior instance shall be revised to "aforementioned 4(2)".

(11) The portion "function of indicating source" on page 52, line 26 in the judgment in prior instance shall be revised to "function as a trademark".

(12) The portion from page 54, lines 6 to 10 in the judgment in prior instance shall be revised as follows.

"B. Amount of unjust enrichment of the first court defendant NEXT"

(A) In each period, the amount corresponding to the use fee calculated from the sales of the first court defendant NEXT is as follows, and the total is 1,302,076 yen.

October 3, 2008 to December 31 of the same year:  $1,300,500 \text{ yen} \times 3.5\% = 45,518 \text{ yen}$

(13) The portion "(1,302,060 yen)" on page 54, line 23 in the judgment in prior

instance shall be revised to "(1,302,076 yen)".

(14) The portion "827,818 yen" on page 54, lines 24 to 25 in the judgment in prior instance shall be revised to "827,834 yen".

(15) The portion from page 54, line 26 to page 55, line 3 in the judgment in prior instance shall be revised as follows.

"C. Therefore, the first court defendant NEXT is obliged to return the unjust enrichment of 827,834 yen, and the defendant Yoshiya is obliged to return the unjust enrichment of 474,242 yen.

The first court plaintiff alleges that the first court defendants should return the unjust enrichment with the consumption tax added, but the ground for that is not obvious, and the allegation cannot be employed.

Moreover, although the first court defendants allege that, since no loss was incurred on the first court plaintiff side, the right to claim return of the unjust enrichment cannot be allowed, but as examined in the aforementioned 4, the function of each of the trademarks as the trademark is harmed, and even if the appeal of the mark to the customers was considered not to be strong, it is not found that no loss was incurred on the first court plaintiff side and thus, the aforementioned allegation by the first court defendants cannot be employed".

## 10. Conclusion

According to the above, the first court plaintiff's claims are grounded to the limit the payment of damages of 4,156,644 yen and the delay damages thereto at the rate of 5% per annum prescribed in the Civil Code from September 6, 2016 which is the day following the date of tort until completion of the payment from the first court defendant NEXT, joint payment of the damages of 716,378 yen and the delay damages thereto at the rate of 5% per annum prescribed in the Civil Code from September 3, 2016 (to the limit from the 6th day of the same month for the first court defendant NEXT) which is the day following the date of tort until completion of the payment from the first court defendant Yoshiya and the first court defendant NEXT as damages under Articles 709 and 719, paragraph (2) of the Civil Code and Article 102, paragraph (2) of the Patent Act and payment of unjust enrichment value of 827,834 yen and the delay damages thereto at the rate of 5% per annum prescribed in the Civil Code from October 6, 2018 which is the day following the date of claim to completion of the payment from the first court defendant NEXT and payment of the unjust enrichment value of 474,242 yen and the delay interest thereto and the delay damages thereto at the rate of 5% per annum prescribed in the Civil Code from October 6, 2018

which is the day following the date of claim until completion of the payment from the first court defendant Yoshiya as claim for return of unjust enrichment under Articles 703 and 704 of the Civil Code, and they are approved while none of the remaining is grounded and they should be dismissed. It is not reasonable that the judgment in prior instance decides that the unjust enrichment value which should be paid by the first court defendant NEXT was 827,818 yen, but since the first court plaintiff does not appeal against the claim for return of the unjust enrichment from the first court defendant NEXT, the amount of the unjust enrichment which should be paid by the first court defendant NEXT cannot be increased, under the principle of prohibition of adverse changes (Article 304 of Code of Civil Procedure). Therefore, the appeals by the first court plaintiff and the first court defendant NEXT as well as the first court defendant Yoshiya were all dismissed and the judgment is rendered as in the main text.

Intellectual Property High Court, Second Division

Presiding Judge: MORI Yoshiyuki

Judge: MANABE Mihoko

Judge KUMAGAI Daisuke