
Date of the judgement

2005.06.17

Case Number

2004(Ju)997

Reporter

Minshu Vol. 59, No. 5

Title

The judgment concerning whether or not the patent owner who has granted an exclusive license is allowed to claim injunction based on the patent right

Case name

Case to seek injunction against patent infringement

Result

Judgment of the Second Petty Bench, dismissed

Court of the Second Instance

Tokyo High Court, Judgment of February 27, 2004

Summary of the judgement

A patent owner is allowed to claim injunction based on his/her patent right even if he/she has granted an exclusive license under the patent right.

References

Article 68, Article 77(1) and (2), and Article 100(1) of the Patent Law

Article 68 of the Patent Law
(Effects of patent right)

A patent owner shall have monopoly over the right to exploit his patented invention in the course of doing business. However, where an exclusive license is granted under the patent right, this provision shall not apply to the extent that an exclusive licensee has been granted the exclusive right to exploit the patented invention.

Article 77 of the Patent Law
(Exclusive license)

- (1) A patent owner may grant an exclusive license under his patent right.
- (2) An exclusive licensee shall have an exclusive right to exploit the patented invention in the course of doing business to the extent laid down in the license contract.

Article 100 of the Patent Law
(Injunction)

- (1) A patent owner or an exclusive licensee may require a person who is infringing or is likely to infringe the patent right or exclusive license to discontinue or refrain from such infringement.

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Main text of the judgement

The jokoku appeal shall be dismissed.

The jokoku appellant shall bear the cost of the jokoku appeal.
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Reasons

Concerning Ground 5 for the petition for accepting the jokoku appeal argued by the attorneys for jokoku appeal NAKANO Kenichi, et al.

1. This is a case in which the jokoku appellee who has a patent right for the invention titled "search method for biopolymer-ligand stable complex structures" (hereinafter referred to as the "Patent Right") requires the jokoku appellant to discontinue the sale of the articles listed in Attachment B for the judgment of the second instance, alleging that the jokoku appellant infringes the Patent Right. The jokoku appellee has granted Company A an exclusive license under the Patent Right for the whole scope of the right.

2. It is appropriate to construe that a patent owner is allowed to claim injunction based on his/her patent right even if he/she has granted an exclusive license under the patent right, for the following grounds.

A patent owner shall have the right to claim injunction to suspend or prevent infringement of his/her patent right (Article 100(1) of the Patent Law). A patent owner who has granted an exclusive license shall lose the right to exploit the patented invention in the course of doing business to the extent that the exclusive licensee has been granted the exclusive right to exploit the patented invention (proviso of Article 68). The problem to be raised by this article is whether or not the patent owner shall also lose the right to claim injunction. In light of the language in the provision of Article 100(1) of the Patent Law, there are no grounds to construe that the patent owner who has granted an exclusive license is restricted from exercising the right to claim injunction. Also from a practical perspective, in cases where it is provided in the license contract that the amount of license fees shall be determined depending on the sales attained by the exclusive licensee, it is obvious that the patent owner has a practical reason to eliminate infringement of the patent right for the purpose of securing license fees. Furthermore, in general, if infringement of a patent right were left unattended, it might cause adverse conditions for the patent owner who intends to exploit the patented invention him/herself when the exclusive license is terminated for some reason. Therefore, it should be construed that the patent owner also needs to be allowed to exercise the right to claim injunction. Consequently, it should be construed that the patent owner does not lose the right to claim injunction even if he/she has granted an exclusive license.

3. For the reasons stated above, the judgment of the second instance that held that the jokoku appellee should be allowed to exercise the right to claim injunction based on the Patent Right can be accepted as justifiable. The jokoku appellant's argument cannot be accepted.

Therefore, the judgment was rendered in the form of the main text by the unanimous consent of the Justices.

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Presiding judge

Justice IMAI Isao

Justice FUKUDA Hiroshi

Justice TAKII Shigeo

Justice TSUNO Osamu

Justice NAKAGAWA Ryoji

(This translation is provisional and subject to revision.)