Patent	Date	November 29, 2018	Court	Osaka District Court,	
Right	Case number	2016 (Wa) 5345		21st Civil Division	
- A case in which, since a beauty instrument manufactured/sold by Defendant					
belongs to the technical scope of the patent invention for which Plaintiff holds the					
patent right (title of the invention: BEAUTY INSTRUMENT), claims for injunction					
of sales and the like/disposal and for compensation for damage were partially					
approved.					

#### Summary of the Judgment

This case is a case in which Plaintiff having two patent rights of the invention, each of which is titled "BEAUTY INSTRUMENT", alleges that roller-type beauty instruments manufactured/sold by Defendant belong to the technical scope of each of the inventions according to the patent rights and made claims for injunction of sales and the like and disposal of Defendant's Products and for compensation for damage, and issues were whether or not Defendant's Products belong to the technical scope, presence/absence of invalidation reasons, the amount of damages of Plaintiff, and the like.

The beauty instrument according to each of the present inventions is configured such that a distal end of a handle portion to be held by the hand is bifurcated, a rotating ball (rotary body) is mounted at each of distal end portions, and by pressing this to the skin and moving it, an esthetic effect is exerted. Present Patent 1 is a patent related to a positional relation between the handle portion and the ball, an interval between the balls, and the like, and Present Patent 2 is a patent related to a bearing member inside the ball. Since Plaintiff alleges only infringement of Present Patent 2 as the cause of the compensation for damage, first, this judgment examined whether or not the claims for injunction of sales and the like of Defendant' Products (9 types of them from 1 to 9) and for compensation for damage for Present Patent 2 shall be approved.

Defendant alleged that Defendant's Products do not fulfill the features in the constituent features of Present Patent 2 that (the ball) "is rotatably supported on a distal end side of a support shaft", "a rotary body has a hole only on a base end side", and "the rotary body has a stepped portion capable of being engaged with the lock claw on an inner periphery", but this judgment affirmed all of these and judged that Defendant's Products belong to the technical scope of Present Patent 2. Moreover, Defendant alleged a plurality of invalidation reasons for the lack of inventive step, but this judgment excluded all of them.

With regard to the amount of damages of Plaintiff, Defendant alleged that, since the

ratio of the bearing portion in the entire manufacturing cost is approximately 1.12%, that should be a contribution rate of Present Invention 2. This judgment stated that, on the basis that the contribution rate is not mechanically defined by the ratio of the cost of the bearing portion in the entire product or the price itself of the bearing portion, the bearing portion has a certain significance that it smoothly moves the roller, while it is not seen by a consumer and there was an alternative art and thus, determined that the contribution rate was 10%. Moreover, Defendant alleged that there were differences in price, market, function, and the like between Defendant's Products and Plaintiff's Product and there were "circumstances due to which sales would have been impossible" prescribed in the proviso to Article 102, paragraph (1) of the Patent Act. This judgment affirmed that there were differences in actual retail selling price, sales places, functions as a beauty instrument, and the like between Defendant's Products and Plaintiff's Product, judged that 50% of the number transferred of Defendant's Products had circumstances due to which sales would have been impossible on the Plaintiff's side, estimated the amount obtained by multiplying the quantity of 50% of the number transferred of Defendant's Products by the amount of profit per unit from Plaintiff's Product and the contribution rate of 10% as the amount of damages of Plaintiff, and partially approved the claim for injunction of sales and the like and the claim for compensation for damage.

Judgment rendered on November 29, 2018, original received on the same day, Court Clerk

2016 (Wa) 5345 A case of seeking injunction against patent infringement and the like Date of conclusion of oral argument: August 23, 2018

Judgment

Plaintiff: MTG CO., LTD.

Defendant: FIVE STARS Inc.

# Main text

- 1. Defendant must not manufacture, use, transfer, lease, or export or offer to transfer or lease the beauty instruments described in the lists of Defendant's Products 1 to 9 in the attachment.
- 2. Defendant must dispose of the beauty instruments described in the lists of Defendant's Products 1 to 9 in the attachment.
- 3. Defendant must pay to Plaintiff money of (omitted) yen and at the rate of 5% per annum from June 15, 2016 for (omitted) yen, from August 26, 2017 for (omitted) yen, and from November 17 of the same year for (omitted) yen until completion of each of the payments.
- 4. The remaining claims by Plaintiff shall be dismissed.
- 5. The court costs shall be divided into 5 parts, two of them shall be borne by Plaintiff and the remaining parts by Defendant.
- 6. This judgment may be provisionally executed only for the third clause.

# Facts and reasons

No. 1 Claims

- 1. The same gist as those of main texts 1 and 2
- 2. Defendant must pay to Plaintiff money of 300,000,000 yen and at the rate of 5% per annum, from June 15, 2016 for 38,100,000 yen, from August 26, 2017 for 4,050,000 yen, and from November 17 of the same year for 257,850,000 yen, until completion of each of the payments.

### No. 2 Outline of the case

This case is a case in which Plaintiff who is a patentee of two inventions both titled "BEAUTY INSTRUMENT" alleged that the beauty instruments manufactured/sold by Defendant belong to the technical scope of each of the patent inventions, and Defendant's acts of manufacture/sales and the like of Defendant's Products infringe each of the aforementioned patent rights held by Plaintiff and made a claim for injunction of manufacture/sales and the like and disposal of Defendant's Products pursuant to Article 100, paragraphs (1) and (2) of the Patent Act and for payment of the money of 300,000,000 yen and delay damages at the rate of 5 % per annum prescribed in the Civil Code for 38,100,000 yen from the day following the date of delivery of the bill, for 4,050,000 yen from the day following the date of delivery of the day following the date of delivery of the written motion of amendment of claim as of August 15, 2017, and for 257,850,000 yen from the day following the date of claim (2) as of November 13, 2017 until completion of each of the payments as partial claim of compensation for damage on the basis of Article 709 of the Civil Code and Article 102, paragraph (1) of the Patent Act.

- 1. Basic facts (facts non-disputable between parties or facts easily found by each of evidences described later and the entire import of the oral argument)
- (1) Parties

Plaintiff is a stock company doing businesses of planning, development, manufacture, sales, and the like of healthcare appliances, beauty instruments, medical appliances, and quasi drugs.

Defendant is a stock company doing businesses of sales, import/export, and the like of healthcare appliances, beauty and healthcare appliances, and the like.

(2) Patent rights held by Plaintiff (Exhibits Ko 1 to 4)

Plaintiff has the patent rights according to the patents of the following A and B (hereinafter, the respective patents are referred to as "Present Patent 1" and "Present Patent 2", rights based on the respective patents as "Present Patent Right 1" and "Present Patent Right 2", the inventions according to the respective patents as "Present Invention 1" and "Present Invention 2", and the description and the drawings according to the respective patents as "Present Description 2"). The descriptions in Present Descriptions 1 and 2 are as in the respective patent gazettes (before correction for Present Patent 1) attached to this judgment.

A. Present Patent 1

Title of the Invention: BEAUTY INSTRUMENT
Date of filing: June 20, 2013
(Original date of filing: November 16, 2011)
Application No.: Patent Application No. 2013-129765
Date of registration: September 6, 2013
B. Present Patent 2
Registration number: Patent No. 5847904
Title of the Invention: BEAUTY INSTRUMENT
Date of filing: September 26, 2014
(Original date of filing: November 16, 2011)
Application No.: Patent Application No. 2014-197056
Date of registration: December 4, 2015
(3) Situation of trial for invalidation related to Present Patents 1 and 2 stated by Defendant (Exhibits Ko 14, 20, 37)
With regard to the trial for invalidation (Trial No. 2016-800086) according to Present Patent 1, judgment was rendered on October 24, 2017 that the correction was

Registration number: Patent No. 5356625

Present Patent 1, judgment was rendered on October 24, 2017 that the correction was approved, and the request for a trial was dismissed (in this lawsuit, there is no allegation of correction according to Present Patent 1).

With regard to the trial for invalidation (Trial No. 2016-800087) according to Present Patent 2, the judgment was rendered on April 11 of the same year that the request for a trial was dismissed.

(4) Scope of Claims (non-disputable)

A. The description in the Scope of Claims in Present Invention 1 is as follows.

A beauty instrument in which a pair of balls is supported on a distal end portion of a handle at an interval from each other and rotatably around one axis, respectively, characterized in that the axis of the ball is constituted to be inclined forward with respect to a center line of the handle so that the axis of the ball can maintain a certain angle with respect to a skin surface during a reciprocating operation, an opening angle of a pair of ball support shafts is set to 40 to 120 degrees, an interval between outer peripheral surfaces of the pair of balls is set to 8 to 25 mm, and the skin is picked up by pressing the outer peripheral surface of the ball to the skin and moving it from the distal end of the handle to a base end direction.

B. The description in Claim 1 of the Scope of Claims of Present Invention 2 is as follows.

A beauty instrument including a support shaft retained by/fixed to a handle at a base end and a rotary body rotatably supported on the distal end side of the support shaft and configured to give an esthetic action to the body by the rotary body, characterized in that the rotary body has a hole only on the base end side, the rotary body is supported by the support shaft through a bearing member in a non-penetrating state where a distal end of the support shaft is located inside thereof; the bearing member is retained by the support shaft at the distal end which is on a side opposite to the hole in the rotary body; a lock claw capable of elastic deformation protrudes from the bearing member and the bearing member has a flange portion on the base end side of the lock claw; the lock claw has a slanted surface whose distance to a rotation center of the rotary body in the bearing member becomes smaller as it goes toward to the distal end side; the rotary body has a stepped portion capable of being engaged with the lock claw on an inner periphery; and the stepped portion is locked on the base end side of the lock claw and is located between the lock claw and the flange portion.

- (5) Separate description of constituent features (non-disputable)
- A. Separate description of constituent features of Present Invention 1

The constituent features of Present Invention 1 are separately described as follows:

- A. A beauty instrument in which a pair of balls are each supported on a distal end portion of a handle at an interval from each other and rotatably around one axis.
- B. The axis of the ball is constituted to be inclined forward with respect to a center line of the handle so that the axis of the ball can maintain a certain angle with respect to a skin surface during a reciprocating operation.
- C. An opening angle of a pair of ball support shafts is set to 40 to 120 degrees.
- D. An interval between outer peripheral surfaces of the pair of balls is set to 8 to 25 mm.
- E. It is constituted such that the skin is picked up by pressing the outer peripheral surface of the ball to the skin and moving it from the distal end of the handle toward a base end direction.
- B. Separate description of constituent features of Present Invention 2

The constituent features of Present Invention 2 are separately described as follows:

- F. A beauty instrument including a support shaft retained by/fixed to a handle at a base end and a rotary body rotatably supported on the distal end side of the support shaft and configured to give an esthetic action to the body by the rotary body.
- G. The rotary body has a hole only on the base end side, and the rotary body is supported by the support shaft through a bearing member in a non-penetrating state where a distal end of the support shaft is located inside thereof.
- H. The bearing member is retained by the support shaft at the distal end which is on

a side opposite to the hole in the rotary body.

- I. A lock claw capable of elastic deformation protrudes from the bearing member.
- J. The bearing member has a flange portion on the base end side of the lock claw.
- K. The lock claw has a slanted surface whose distance to a rotation center of the rotary body in the bearing member becomes smaller as it gets closer to the distal end side.

The rotary body has a stepped portion capable of being engaged with the lock claw on an inner periphery, and the stepped portion is locked on the base end side of the lock claw and is located between the lock claw and the flange portion.

(6) Acts of Defendant (Exhibits Ko 21, 22, Exhibits Otsu 1 to 7, entire import of oral argument)

Defendant sold or offered sales of the beauty instruments described in the "list of Defendant's Products" 1 to 9 in the Attachment (hereinafter, collectively referred to as "Defendant's Products" and as "Defendant's Product 1" and the like, respectively) as a business at least from December 4, 2015 to May 8, 2017.

(7) Structure of Defendant's Products

A. Structures of Defendant's Products 1 to 7 pertaining to relations with Present Invention 1 (non-disputable)

a. A beauty instrument in which a pair of pear-shaped rolling portions are supported rotatably around a support shaft on a distal end portion of a body portion constituted by a grip and a bifurcated portion inserted into and mounted on a distal end of the grip.

b. The two support shafts are inclined forward with respect to the grip.

c. An opening angle between the two support shafts is 74 to 75 degrees.

d. With regard to an interval between outer peripheral surfaces of the rolling portions, the smallest interval is within a range from 10.0 to 12.5 mm.

e. It is constituted such that the skin is picked up by pressing the outer peripheral surface of the two rolling portions to the skin and moving the bodies from the distal end of the grip toward a base end direction.

B. Structures of Defendant's Products 1 to 9 pertaining to the relations with Present Invention 2 (non-disputable)

f. A beauty instrument in which a support shaft is retained by/fixed to a distal end of a bifurcated portion on a base end, and a rolling portion is rotatably supported on the support shaft and configured to give an esthetic action to the body by the rolling portion.

g. The rolling portion is a hollow material having an opening only on the base end side, and a cylindrical fitting 1 and a ring-shaped fitting 2 are fitted from the distal end side, incapable of relative rotation with the rolling portion 1 in the hollow in a state

where a gap is provided on the distal end side.

Moreover, the rolling portion is in a non-penetrating state in which the distal end of the support shaft is located in the hollow, and the rolling portion, the cylindrical fitting 1, and the ring-shaped fitting 2 are rotatably supported by the support shaft through a bearing member.

h. The bearing member is retained by a retaining member with respect to the support shaft on the distal end side which is on a side opposite to the opening of the rolling portion.

i. A lock claw capable of elastic deformation in a circumferential direction protrudes on a peripheral surface of the bearing member.

j. A flange portion is provided on the base end side of the bearing member.

k. The lock claw of the bearing member has a slanted surface whose distance to a rotation center of the bearing member becomes smaller as it goes toward the distal end side.

1. The cylindrical fitting 1 in the hollow of the rolling portion has a large diameter portion with an inner diameter larger than the other portions on an inner peripheral surface on the base end side, and the lock claw is located on the large diameter portion. The ring-shaped fitting 2 in the hollow of the rolling portion is locked on the base end side of the lock claw and located between the lock claw and the flange portion.

C. Relations with constituent features

It is non-disputable that Defendant's Products 1 to 7 fulfill the constituent features C and E of Present Invention 1, and Defendant's Products 1 to 9 fulfill the constituent features H, I, J, and K of Present Invention 2.

# 2. Issues

Plaintiff does not allege correction of Present Invention 1, does not allege that Defendant's Products 8 and 9 in relation with the additional claim belong to the technical scope of Present Invention 1 but alleges only infringement of Present Patent 2 as a cause of the claim for compensation for damage and thus, as an order of judgment, first, whether the claims for injunction of sales and the like of Defendant's Products 1 to 9 and the claim for compensation for damage are approved or not will be examined on the basis of Present Patent 2 and then, if this is not approved, whether the injunction of the sales of Defendant's Products 1 to 7 and the like on the basis of Present Patent 1 is approved will be examined.

(1) Whether Defendant's Products 1 to 9 belong to the technical scope of Present Invention 2 (issue (1)) (2) Whether Present Patent 2 should be invalidated through a trial for patent invalidation (issue (2))

A. Lack of inventive step with Exhibit Otsu 44 as primarily cited reference

- B. Lack of inventive step with Exhibit Otsu 45 as primarily cited reference
- (3) Whether Defendant's Products 1 to 7 belong to the technical scope of Present Invention 1 (issue (3))
- (4) Whether Present Patent 1 should be invalidated through a trial for patent invalidation (issue (4))
- (5) Damages of Plaintiff (issue (5))

No. 3 Allegation of the parties on issues

- 1. Issue (1) (Whether Defendant's Products 1 to 9 belong to the technical scope of Present Invention 2)
- (1) Fulfillment of constituent feature F
- [Allegation of Plaintiff]
- A. Interpretation of constituent feature F

By reading the wording that "rotatably supported on the distal end side of the support shaft" in the constituent feature F of Present Invention 2, a person ordinarily skilled in the art can easily understand that it means that the rotary body is supported not on the base end side of the support shaft but on the distal end side thereof.

According to paragraphs [0004] to [0006] in Present Description 2, Present Patent 2 proposes a new one since a support structure such as a shaft for supporting the rotary body is not disclosed in the conventional beauty instrument, and specifies the bearing member, the lock claw, the flange portion, and the like as the specific structures on the premise of the positional relationship among the handle, the support shaft, and the rotary body.

Then, the constituent feature F does not have limitation to the specific structure of the support exemplified in the embodiment.

B. Structure of Defendant's Product

The structure of the rolling portion of Defendant's Product is as in the aforementioned structures f and g, in which the support shaft is retained by/fixed to the distal end of the bifurcated portion on the base end side thereof, and although there is a gap on the distal end side of the support shaft itself on the distal end side which is a side opposite to that, the rolling portion is supported through the bearing member.

Therefore, since Defendant's Product has the rotary body rotatably supported not on the base end side but on the distal end side of the of the support shaft, it fulfills the

#### constituent feature F.

[Allegation of Defendant]

In Present Invention 2, since the structure of the cap material 29 is indispensable for making the rotary body stable, the constituent feature F is limited to the rotary body supported "on the distal end side of the support shaft" in such a form illustrated in Figure 4 in Present Description 2.

Since the two rotary bodies in Defendant's product are rotatably supported on a portion other than the distal side of the support shaft (Exhibits Otsu 1 to 7-3b), Defendant's Product does not fulfill the constituent feature F.

(2) Fulfillment of constituent feature G

[Allegation of Plaintiff]

With regard to Defendant's Product, the rolling portion, the cylindrical ring (fitting 2 in the structure 1), and the cylindrical member (fitting 1 in the structure 1) should be grasped to fall under the "rotary body" as a whole body, and it is obvious that the distal end of the support shaft is located inside the rotary body as the whole body in a non-penetrating state and is supported by the support shaft through the bearing member and thus, Defendant's Product fulfills the constituent feature G.

# [Allegation of Defendant]

The rotary body of Present Invention 2 refers to each member supported by the support shaft through the bearing member.

In Defendant's Product, since the rolling portion, the cylindrical ring, and the cylindrical member are rotatably supported by the bearing member, they are all included in the "rotary body", respectively. The rolling member has a hole provided only on the base end side, but since the cylindrical ring and the cylindrical member have a hole provided both on the base end side and the distal end side, the hole is provided on the distal end side of the rotary body, which does not fulfill the constituent feature G.

(3) Fulfillment of constituent feature L

[Allegation of Plaintiff]

In interpretation of the constituent feature L of Present Invention 2, there is no need to interpret with limitation to the specific structure illustrated in the embodiment.

In Defendant's Product, the whole body including the rolling portion, the cylindrical ring, and the cylindrical member corresponds to the "rotary body", and the step is formed on the inner periphery of the rolling portion by the cylindrical ring and the cylindrical member.

That is, according to the description of the structure 1 of Defendant's Product, since the stepped portion is formed by the combination of the large diameter portion (where the lock claw is located) with the inner diameter larger than those of the other portions of the fitting 1 and the fitting 2 located between the lock claw and the flange portion on the inner peripheral surface on the base end side, Defendant's Product fulfills the constituent feature L.

# [Allegation of Defendant]

The literal meaning of the "step" is a "difference in height having a stepped shape", and a spot having a difference in height on the inner periphery of the rotary body of Present Invention 2 is the "stepped portion". According to Present Description 2, the written amendment of procedures (Exhibit Otsu 22), and the written statement (Exhibit Otsu 23), Plaintiff interprets the structure of the stepped portion with limitation to the stepped portion 28a formed on the inner periphery of the core material 28 illustrated in Figure 4 of Present Description 2 and does not assume that the stepped portion is made a member separate from the core material.

In Defendant's Product, the rotary body has the rolling portion and the cylindrical ring and the cylindrical member fitted in the inner periphery of the rolling portion and has the structure in which the cylindrical ring is locked on the base end side of the lock claw of the bearing and is located between the lock claw and the flange portion. The rolling portion and the cylindrical ring in Defendant's Product are different members, and even if they are regarded as the one rotary body, the cylindrical ring is not a stepped portion having a difference in height as formed on the inner periphery of the rotary body.

Thus, Defendant's Product does not have a stepped portion on the inner peripheral portion of the rotary body and it does not fulfill the constituent feature L.

2. Issue (2) (Whether Present Patent 2 should be invalidated through a trial for patent invalidation)

(omitted)

(2) Lack of inventive step with Exhibit Otsu 45 as primarily cited reference

[Allegation of Defendant]

A. Structure of Exhibit Otsu 45 invention

The Exhibit Otsu 45 invention has the following structure.

f45 In a magnet beauty roller in which, in a roller support portion provided on an upper part of the grip portion, a small diameter portion which is a support shaft for rotating a roller portion and the roller portion rotatably supported by the small diameter portion are included, and an esthetic action is given to the body by the roller portion,

g45 the roller portion has a hole only on the base end side, and the roller portion is supported by the small diameter portion through a bearing in a non-penetrating state where a distal end of the small diameter portion is located inside thereof,

h45 the bearing is retained by the small diameter portion,

145 the roller portion retains the bearing on the inner periphery.

B. Comparison between Exhibit Otsu 45 invention and Present Invention 2

(A) Common feature

Present Invention 2 and the Exhibit Otsu 45 invention have in common the constituent features F, G, H, and L and the structures f, g, h, and l, respectively. (B) Different Feature 1

In Present Invention 2, the support shaft is retained by/fixed to the base end of the handle, while in the Exhibit Otsu 45 invention, the small diameter portion is formed integrally with the grip portion and is not retained by/fixed to the grip portion. (C) Different Feature 2

In Present Invention 2, the rotary body is rotatably supported on the distal end side of the support shaft. On the other hand, in the Exhibit Otsu 45 invention, the roller portion is rotatably supported by a portion other than the distal end side of the small diameter portion.

(D) Different Feature 3

In Present Invention 2, the bearing member is retained by the support shaft at the distal end which is on a side opposite to the hole of the rotary body. On the other hand, in the Exhibit Otsu 45 invention, retention is not performed at the distal end of the small diameter portion.

(E) Different Feature 4

The structure of the bearing member in Present Invention 2 is different from the structure of the bearing in the Exhibit Otsu 45 invention.

(F) Different Feature 5

The stepped portion located between the lock claw and the flange portion of the bearing member is provided on the rotary body of Present Invention 2. On the other hand, there is no such structure on the inner periphery of the roller portion in the Exhibit Otsu 45 invention.

C. How easily the structure according to the Different Features could have been conceived of

(A) Different Feature 1

In a beauty massaging tool using the rotary body, whether the support shaft is retained by/fixed to the handle or integrally formed with the handle is only a design

matter. In Exhibit Otsu 24, a core shaft which is the support shaft of the rotary body is retained by/fixed to the handle, and in Exhibit Otsu 25, the spindle is also retrained by /fixed to the handle, while in Exhibits Otsu 28 and 29, the support shaft is integrally formed with the handle.

Thus, in the Exhibit Otsu 45 invention, too, to retain/fix the small diameter portion which is the support shaft of the roller portion to the grip portion could have been extremely easily conceived of by a person ordinarily skilled in the art when the technical standard as of the time of filing is considered.

#### (B) Different Feature 2

For a person ordinarily skilled in the art, whether or not the bearing should be disposed on the distal end side of the small diameter portion in the Exhibit Otsu 45 invention is only a design matter, and to dispose the bearing on the distal end side of the small diameter portion could have been easily conceived of by a person ordinarily skilled in the art.

#### (C) Different Feature 3

In the Exhibit Otsu 45 invention, the case in which a rolling bearing is used as the bearing is assumed, and paragraph [0014] in Exhibit Otsu 45 describes that a sliding bearing such as a plastic bearing or the like is preferable as a substitution example of the bearing. When the sliding bearing made of plastic is used, a person ordinarily skilled in the art could have extremely easily conceived of provision of retention with a structure of a retaining ring or the like on the distal end of the small diameter portion so that the bearing is not removed.

#### (D) Different Feature 4

A person ordinarily skilled in the art could have easily conceived of replacement of the bearing in the Exhibit Otsu 45 invention with the bearing in Exhibit Otsu 46 invention or the Exhibit Otsu 47 invention as the sliding bearing made of plastic as in the aforementioned (C).

### (E) Different Feature 5

When the bearing in the Exhibit Otsu 45 invention is replaced with the bearing in the Exhibit Otsu 46 invention and the Exhibit Otsu 47 invention as described in the aforementioned (D), a person ordinarily skilled in the art could have easily conceived of provision of a stepped portion located between the elastic lock piece and the flange of the Exhibit Otsu 46 invention, between the slanted surface portion and the flange portion of the exhibit Otsu 47-1 invention, and between the tongue piece portion and the flange portion of the Exhibit Otsu 47-2 invention and the Exhibit Otsu 45 invention.

Moreover, a person skilled in the art who contacted the Exhibit Otsu 44 invention could have easily conceived of the fixation method of the bearing used in the Exhibit Otsu 44 invention be useable, since the Exhibit Otsu 45 invention is also a tool for obtaining the esthetic effect by massaging using the rotary body similarly to the Exhibit Otsu 44 invention, and it is also easy to provide the projection portion of the massaging member of the Exhibit Otsu 44 invention and thus, a person ordinarily skilled in the art could have easily conceived of providing a stepped portion on the inner periphery of the roller portion of the roller portion of the Exhibit Otsu 45 invention and to dispose the stepped portion between the lock claw and the flange portion so that the stepped portion is ridden over by the lock claw of the bearing of the Exhibit Otsu 46 invention and the Exhibit Otsu 47 invention. D. Summary

Thus, since a person ordinarily skilled in the art could have easily made Present Invention 2 before filing on the basis of the Exhibit Otsu 45 invention, the Exhibit Otsu 44 invention, the Exhibit Otsu 46 invention, and the Exhibit Otsu 47 invention, it cannot be granted a patent in pursuant to the provisions in Article 29, paragraph (2) of the Patent Act, the patent falls under the Article 123, paragraph (1), item (ii) of the Act and thus, it should be invalidated through a trial for patent invalidation.

[Allegation of Plaintiff]

A. Structure of Exhibit Otsu 45 invention alleged by Plaintiff

Plaintiff would not dispute over f45 to h45 alleged by Defendant, and i45 and l45 are as follows.

i45 A magnet beauty roller characterized in that a bearing has a cylindrical outer peripheral surface, and

145 an inner periphery of a large diameter hole of a roller portion is cylindrical.

- B. Comparison between Exhibit Otsu 45 invention and Present Invention 2
- (A) Different Features 1 and 2 are admitted as alleged by Defendant, but Different Features 3 to 5 are as follows.

(B) Different Feature 3

In Present Invention 2, the bearing member is retained by the support shaft at the distal end which is on a side opposite to the hole of the rotary body. On the other hand, in the Exhibit Otsu 45 invention, presence/absence of specific retention of the bearing is not known.

(C) Different Feature 4

In Present Invention 2, the lock claw capable of elastic deformation protrudes from the bearing member, the bearing member has a flange portion on the base end side of the lock claw, and the lock claw has a slanted surface whose distance to a rotation center of the rotary body in the bearing member becomes smaller as it goes toward the distal end side. On the other hand, the bearing in the Exhibit Otsu 45 invention has a cylindrical outer peripheral surface.

# (D) Different Feature 5

In Present Invention 2, the rotary body has a stepped portion capable of being engaged with the lock claw on the inner periphery, and the stepped portion is locked on the base end side of the lock claw and is located between the lock claw and the flange portion. On the other hand, in the Exhibit Otsu 45 invention, the inner periphery of the large diameter hole of the roller portion is cylindrical.

C. Structure according to the different features could not have been easily conceived of

# (A) Different Feature 1

Exhibits Otsu 24-1 and Otsu 25-1 cited by Defendant have four shafts in the circumferential direction or the spindle has a structure movable in the axial direction, whose structures are different from the Exhibit Otsu 45 invention and thus, there is no motivation to employ these structures.

# (B) Different Feature 2

Defendant alleges that by disposing a bearing on the distal end side of the small diameter portion of the Exhibit Otsu 45 invention, the roller portion can be rotatably supported on the distal end side of the small diameter portion, and this is a design matter, but there is no explanation on the grounds that the aforementioned point is a design matter or the motivation to make such change, and the change could not have been easily conceived of.

#### (C) Different Feature 3

Even if the bearing in the Exhibit Otsu 45 invention is replaced with the sliding bearing made of plastic, it is not clear whether retention is needed or not. If the retention is needed, where to take the retaining measure is not determined unambiguously and thus, to take the retaining measure at the distal end of the small diameter portion could not have been easily conceived of.

#### (D) Different Feature 4

In the bearing of the Exhibit Otsu 45 invention, the outer peripheral surface thereof is formed cylindrically and is inserted into a large diameter portion of the roller portion formed similarly cylindrically, and it can be understood that the roller portion is supported by the entire outer peripheral surface. Even if the bearing having such shape is replaced with the sliding bearing made of plastic, from the aforementioned shape of the large diameter portion of the roller portion, the outer peripheral surface of the sliding bearing made of plastic to be applied also has a cylindrical shape conforming to that and should have a structure for supporting the roller portion by the outer peripheral surface thereof.

On the other hand, the bearing in the Exhibit Otsu 46 invention has an elastic lock piece and a flange for supporting/fixing the support plate by sandwiching it between them and does not have a shape that can be attached to the large diameter portion of the roller portion.

The bearing of the Exhibit Otsu 47 invention also has the tongue piece portion and the flange portion for supporting and fixing the thin plate by sandwiching it between them and does not have a shape that can be attached to the large diameter portion of the roller portion of the Exhibit Otsu 45 invention as above.

Therefore, since the problem, purpose, application, and function are different, there is no motivation to use the bearing in the Exhibit Otsu 46 invention or the Exhibit Otsu 47 invention for the bearing of the large diameter portion of the roller portion of the Exhibit Otsu 45 invention.

(E) Different Feature 5

As described in the aforementioned (D), since there is no motivation itself to use the bearing in the Exhibit Otsu 46 invention or the Exhibit Otsu 47 invention for the bearing of the large diameter portion of the roller portion in the Exhibit Otsu 45 invention, Different Feature 5 could not have been easily conceived of, either.

Moreover, Defendant alleges that it could have been easily conceived of that, by employing the projection portion of the massaging member of the Exhibit Otsu 44 invention in the Exhibit Otsu 45 invention, the bearing of the Exhibit Otsu 46 invention or the Exhibit Otsu 47 invention can be mounted on the roller portion of the Exhibit Otsu 45 invention. However, as described above, since the bearing of the Exhibit Otsu 45 invention has the outer peripheral surface with the cylindrical shape and no projection portion, there is no motivation to employ the projection portion of the Exhibit Otsu 44 invention when the sliding bearing made of plastic is to be used.

D. Summary

As described above, there is no invalidation reason alleged by Defendant with the Exhibit Otsu 45 as the primarily cited reference for Present Invention 2.

- 3. Issue (3) (Whether Defendant's Products 1 to 7 belong to the technical scope of Present Invention 1)
- (1) Fulfillment of constituent feature A

# [Allegation of Plaintiff]

There is no need to interpret the ball of the constituent feature A with limitation to a spherical shape or a completely circular shape, and Defendant's product fulfills the constituent feature A.

Present Description 1 describes that a roller portion rotating in the conventional same type of product has a cylindrical shape, while in Present Invention 1, the rotating portion is made a "ball" shape, and the ball is made capable of local contact with the skin. One example of such balls is a spherical or a balloon-shaped ball in the embodiment. With regard to a shape of such ball portion, a person skilled in the art could change a design as appropriate in comparison with the conventional cylindrical one. Present Description 1 also refers to the "elliptic sectional shape/long circular sectional shape and the like" as examples of the design changes, but the shape of the ball is not limited to the specific shapes described here.

[Allegation of Defendant]

A. Principal allegation

(A) Shape of the ball in the constituent feature A

The shape of the ball in the constituent feature A of Present Invention 1 is limited to the "completely circular", that is, a spherical shape, while the rolling portion of Defendant's Product has a pear shape, not completely circular or spherical and thus, it does not fulfill the constituent feature A.

The literal meaning of the ball is a "spherical" (completely circular) one, and according to the description in Present Description 1, the "elliptic cylindrical" roller is explicitly excluded from Present Invention 1, and the shape of the ball in the constituent feature A is limited to the one whose sectional shape when cut in any direction is completely circular; that is, spherical.

The working example of Present Description 1 (paragraphs [0050] and [0052] thereof) has the description that the ball may be changed to the balloon shape and the elliptic sectional shape and the long circular sectional shape, but there is no description that the shape after the change is included in the concept of the "ball", and results of functional tests related to limitation on numeral values of the constituent features C and D are not indicated for those having the "balloon shape", the "elliptic sectional shape" and the "long circular sectional shape" in Present Description 1, a critical significance when the balls of these shapes are used is not disclosed, or rather, in Present Description 1, Unexamined Patent Application Publication No. 2009-142509 (Exhibit Otsu 27) is cited as Patent Document 1, the technical problem when the roller is formed having the elliptic cylindrical shape is pointed out (paragraph [0005] thereof), and this is excluded

from the ball of Present Invention 1 and thus, the "ball" in Present Invention 1 should be considered to be limited to that with a completely circular sectional shape.

(B) The rolling portion of Defendant's Product is not brought into local contact with the skin

As described above, the ball in the constituent feature A of Present Invention 1 should have a shape brought into local contact with the skin; that is, a part of the ball is brought into concentrated contact with the skin.

However, the rolling portion of Defendant's Product has the whole thereof in contact with the skin and does not generate an action that only a part is in concentrated contact with the skin.

B. Alternative allegation

Even if it is interpreted that the shape of the ball in Present Invention 1 includes not only those with the completely circular or spherical shape but with the balloon shape, the elliptic sectional shape, and the long circular sectional shape, the balloon shape in Present Description 1 is, as defined in paragraph [0050], the shape with the curvature on the handle 11 side is larger than the curvature of the distal end side of the ball support shaft 15, but in the rolling portion of Defendant's Product, the curve of the distal end of the support shaft is larger than the curve of the distal end portion of the bifurcated portion and thus, it does not fall under the aforementioned balloon shape.

C. Summary

As described above, the rolling portion of Defendant's Product does not fall under the ball of Present Invention 1 and does not fulfill the constituent feature A.

(2) Fulfillment of constituent feature B

[Allegation of Plaintiff]

A. Significance of the "center line of handle"

Paragraph [0018] in Present Description 1 explicitly indicates the significance of the "center line of the handle" as the "line in parallel with a line dividing an angle between outer peripheral tangents z of the thickest part of the handle 11 into two parts", and it is also obvious that the "thickest part" is, as illustrated in Figure 3, a thickest portion in a vertical direction of the handle on a side directional view of the product.

As described above, the significance of the "center line of the handle" is clear, and the "center line of the handle" can be also specified in Defendant's Product.

B. Structure for "maintaining a certain angle"

The phrase "the ball axis can maintain a certain angle with respect to the skin surface" illustrates that the axis of the support shaft of the ball is constituted to be inclined forward with respect to the center line of the handle, whereby the ball can be pressed onto the skin at a certain angle without the need for a user to adjust the elbow, the wrist, and the like each time the ball is placed on the skin.

That is, if "the axis of the ball is constituted to be inclined forward with respect to the center line of the handle", inevitably, the "axis of the ball can maintain a certain angle with respect to the skin surface", and it fulfills the constituent feature B, and a change in the angle between the skin surface and the axis of the ball by a gripping way and a moving way of the grip by the user is not assumed.

# C. Summary

In Defendant's Product, the axis of the ball is inclined forward with respect to the center line of the handle, and it fulfills the constituent feature B.

[Allegation of Defendant]

A. Interpretation of the "center line of handle"

Paragraph [0018] in Present Description 1 defines the center line of the handle, but the handle in Figure 3 is vertically asymmetrical and the thickness is also uneven and thus, the center line cannot be determined by this definition.

There can be three conceivable interpretations of the "center line of the handle"; that is, [i] the handle is a handle having the shape similar to that in Figure 3; [ii] regardless of the shape of the handle, it is the definition of the aforementioned description; that is, "line in parallel with a line dividing an angle between outer peripheral tangents z of the thickest part of the handle into two parts"; and [iii] the handle is a shape from which the center line can be conceptualized, but in any case, the grip of Defendant's Product is different from them and does not fulfill the constituent feature B.

B. "To maintain a certain angle"

In Present Invention 1, "the axis of the ball can maintain a certain angle with respect to the skin surface during a reciprocating operation", and it cannot be specified unambiguously, and since in Defendant's Product, the angle between the axis of the rolling portion and the skin surface is variously changed during the reciprocating operation depending on how to grip or move the grip by the user, irregularity of the skin surface of the user, a spot to be massaged, and the like, it does not have the structure of maintaining the certain angle.

C. Thus, Defendant's product does not fulfill the constituent feature B.

(3) Fulfillment of constituent feature D

[Allegation of Plaintiff]

Paragraph [0021] in Present Description 1 has the description on the interval D between the outer peripheral surfaces of the balls, and Figure 5 illustrates the interval

D corresponding to this description. According to this, the interval D is a distance between the outer peripheral surfaces which is the closest between the pair of balls and thus, the constituent feature D of Present Invention 1 means that the distance is within a range from 8 to 25 mm.

Therefore, Defendant's Product fulfills the constituent feature D.

### [Allegation of Defendant]

The "interval between the outer peripheral surfaces of the pair of balls" in the constituent feature D cannot unambiguously specify a distance of what portion in the pair of balls is referred to. Moreover, in the constituent feature D, the interval is specified as "8 to 25 mm", but it cannot unambiguously specify, either, whether it illustrates that the interval between the outer peripheral surfaces of the pair of balls is within the range of the smallest of 8 mm to the largest of 25 mm. Furthermore, if the interval is within the pair of balls is not limited to the completely circular shape is employed, a distance of what portion in the ball is defined as the interval between the outer peripheral surfaces cannot be specified unambiguously, either.

As the conceivable interpretation of the constituent feature D, [i] on the basis of the interpretation that the ball has a completely circular shape, if it is assumed that the smallest distance between the balls is the interval between the outer peripheral surfaces of the pair of balls, since the rolling portion of Defendant's product is not a completely circular ball, the interval between the outer peripheral surfaces of the balls cannot be compared; and [ii] assuming that the ball includes those which are not completely circular, the interval between what and what is referred to as the interval between the outer peripheral surfaces of the pair of balls should matter and thus, the interval between the outer peripheral surfaces of the pair of balls should be within a range from the smallest of 12 mm to the largest of 25 mm, and Defendant's Product does not fall under this.

Thus, Defendant's Product does not fulfill the constituent feature D.

(omitted)

# 5. Amount of damages of Plaintiff (issue (5))

#### [Allegation of Plaintiff]

#### (1) Transferred number of Defendant's Products

The number of Defendant's Products 1 to 9 transferred by Defendant on and after the date of registration of the present patent 2 (December 4, 2015) is as follows, and is 351,724 units in total.

Defendant's Product 1 (DR-250A)	71,077 units
Defendant's Product 2 (DR-250C)	141,135 units
Defendant's Product 3 (FS-800)	15,114 units
Defendant's Product 4 (DR-250P)	82,584 units
Defendant's Product 5 (DR-250G)	18,526 units
Defendant's Product 6 (DR-250SW)	8,263 units
Defendant's Product 7 (JDR-300)	416 units
Defendant's Product 8 (DR-260BK)	6,088 units
Defendant's Product 9 (DR-260C)	8,521 units

(2) Amount of profit per unit from Plaintiff's Product

Plaintiff sells the beauty instrument with the name "ReFa Carat" (Exhibits Ko 23, 24. Hereinafter, referred to as "Plaintiff's Product") as the worked article of Present Invention 2, and Plaintiff's Product and Defendant's Product are in a competitive relation in the market.

The sales quantity of Plaintiff's Product during a period from October of 2015 to August of 2017 is (omitted) units and the sales is (omitted) in total.

The manufacturing cost of Plaintiff's Product in the aforementioned period is (omitted).

The sales of all of Plaintiff's Products during the aforementioned period is (omitted) yen in total. Then, the sales ratio of Plaintiff's Product to all the products of Plaintiff is (omitted) ((omitted)  $\div$  (omitted)  $\approx$  (omitted)).

The total amount of each of deduction items during the aforementioned period is as follows. They are all variable costs or individual costs directly required for manufacture/sales of all the products of Plaintiff and are calculated by multiplying the total amount of each cost during the aforementioned period by the sales ratio of the aforementioned Plaintiff's Product.

[i] Sales commission: (omitted)

[ii] Sales promotion cost: (omitted)

[iii] Point reserve: (omitted)

[iv] Sample cost: (omitted)

[v] Advertising cost: (omitted)

[vi] Packing and freight cost: (omitted)

[vii] Complaint handling cost: (omitted)

[viii] Product guarantee reserve transferred: (omitted)

[ix] Marketing research cost: (omitted)

Total amount of [i] to [ix]: (omitted)

Thus, the profit amount of Plaintiff's Product is (omitted) obtained by deducting the total amount of the manufacturing cost and the costs in the aforementioned [i] to [ix] from the sales of Plaintiff's Product ((omitted) – (omitted) – (omitted) = (omitted) yen).

The amount (omitted) yen obtained by dividing this by the sales quantity of (omitted) units of Plaintiff's Product in the aforementioned period is the amount of profit per unit from Plaintiff's Product.

(3) Estimation of amount of damages of Plaintiff

The total quantity of transfer of Defendant's Product is 351,724 units as described above.

By multiplying it by the aforementioned amount of profit per unit from Plaintiff's Product, it is (omitted) yen ((omitted)  $\times$  (omitted) = (omitted) yen).

As a result, the amount of damages of Plaintiff is estimated to be (omitted) yen.

(4) Ability of Plaintiff to work

Plaintiff worked Plaintiff's Product in the number of approximately (omitted) units in the month with the largest quantity and approximately (omitted) units in the month with the smallest quantity in the aforementioned period and had a certain level of ability to work to supply even if the sales quantity is increased/decreased within this range. Here, the transferred number of Defendant's Product is approximately 17,586 units on a monthly average, and Plaintiff had a sufficient ability of additional supply of Plaintiff's Product approximately at the level of transferred number of Defendant's Product.

(5) Amount equivalent to lawyer's fee

The lawyer's fee which is reasonable in pursuance of this lawsuit is (omitted) yen, which is an amount equivalent to 10% of the aforementioned amount of damages.

(6) Summary

Therefore, Plaintiff has the right to claim for compensation for damages of (omitted) yen from Defendant.

(7) Counterargument to Defendant's allegation

A. Contribution rate

Defendant alleges that the cost rate of the bearing member of Defendant's Product should be multiplied in calculation of the amount of damages.

However, Present Invention 2 is the patent right related to the beauty instrument and is an indispensable and important element in the structure of the product value and thus, the contribution rate does not have to be considered.

Even if the contribution rate is considered, argument should be made not simply

from the cost rate but on the basis of what contribution Present Invention 2 made to the mechanism structure of Defendant's Product.

Moreover, even if the member cost rate should be considered, the bearing member is present inside the rotary body for improving smooth rotation of the rotary body and thus, the cost of the rotary body portion should be also considered.

B. No "circumstances due to which sales would have been impossible" (proviso to Article 102, paragraph (1) of the Patent Act)

(A) Bearing member

Present Invention 2 is an invention including a bearing member in the invention specifying matter but it is mainly the invention of a beauty instrument including the rotary body, the bearing member and the like. Defendant's allegation alleging that the bearing member is a basic and general-purpose mechanical component without considering that does not make sense.

Moreover, since the patent right is not based on an identification function of a consumer as a trademark right, whether or not a consumer can confirm Present Invention 2 from outside and whether or not he/she would select the goods by recognizing that does not matter in application of Article 102, paragraph (1) of the Patent Act.

(B) Entire Defendant's product

Even if Defendant performs wholesale to a customer who does not deal with Plaintiff's Product, there is no change in exclusion of Plaintiff's Product from the market as the result of purchase of Defendant's Product by the customer/consumer. Therefore, there is no reason in this fact that the amount of damages should be reduced.

C. Costs to be deducted

Defendant alleges that all the costs in [i] to [xxvii] below should be deducted from the sales of Plaintiff's Product as expenditures, but the "amount of profit per unit" is the amount acquired by dividing the amount obtained by deducting the costs which would have been additionally required for additional sales of Plaintiff's Product in the quantity from the sales amount of Plaintiff's Product in the quantity which could have been additionally sold on the Plaintiff's side if there had not been Defendant's infringement by the quantity; that is, the marginal profit. Therefore, the deduction items which should be considered are so-called variable costs other than the manufacturing cost. However, the various costs cited by Defendant are, as alleged below, all fixed costs and may not be deducted.

Moreover, the total sales of Plaintiff's Product during the period from October of 2015 to August of 2017 is (omitted) units, and the monthly average is approximately

(omitted) units, while the total sales of Defendant's Product is 351,724 units, and the monthly average is approximately 17,086 units. That is, the monthly average sales quantity of Defendant's Product is only approximately (omitted) of the monthly sales quantity of Plaintiff's Product, and since additional production is easy, it is not necessary to deduct the costs usually regarded as fixed costs as additional costs, either.

Plaintiff's individual allegation on each of the costs alleged by Defendant is as follows.

# [i] Production cost

The production cost is a cost related to production of promotional materials such as leaflets and display disposed in the store, including costs related to photographing of visuals used for the leaflets and the like.

This cost is not particularly required for production increase of Plaintiff's Product and does not fall under the variable costs.

[ii] Travel/transportation expenses

The travel/transportation expenses are costs for business trips of employees and the like of Plaintiff.

This cost is not particularly required for production increase of Plaintiff's Product. [iii] Custody fee

The custody fee is a warehouse fee for Plaintiff's Product and materials such as promotional material such as leaflets. The warehouse fee is a fixed cost in principle and as described above, it does not have to be added up as the deduction item in view of the sales quantity of Defendant's Product.

[iv] Directors' remuneration, salary, and other allowances, staff's salary and allowances, directors' bonuses, bonuses, commuting costs, retirement money

These are so-called labor costs and are not costs particularly required for increased production/sales of Plaintiff's Product. Moreover, they do not have to be added up as the deduction item in view of the sales quantity of Defendant's Product as described above.

[v] Legal welfare expenses, welfare expenses

The legal welfare expenses are legal welfare expenses themselves, and the welfare expenses include housing expenses assistance in addition to costs related to congratulatory/condolence money, whole-company recreation. These are fixed costs in principle.

[vi] Training cost

The training cost is a cost incurred when Plaintiff's employees go to external seminars, training, lectures, and the like. They are fixed costs in principle.

#### [vii] Recruitment cost

The recruitment cost is a cost related to recruitment such as staff agency fees and the like. They are costs for staffing and fixed costs. Moreover, they do not have to be added up as the deduction item in view of the sales quantity of Defendant's Product as described above.

#### [viii] Customer management expenses

The customer management expenses are customer management expenses, maintenance cost for customer management system, automatic fee withdrawal commissions, bill issuing costs and the like for Kirara project (water server business sold by Plaintiff). This is the expense item different from the business operation related to Plaintiff's Product and should not be added up as the deduction item.

#### [ix] Car expenses

The car expenses are expenses for purchase/inspection/repair of company-owned cars of Plaintiff and are fixed costs in principle. Moreover, additional car expenses are not generated for sales of Plaintiff's Product in view of the sales quantity of Defendant's Product and do not have to be added up as the deduction item as described above.

#### [x] Rents

The rents are tenant rents of Plaintiff's company stores and other rented buildings other than Plaintiff's owned ones such as sales offices and the like and are fixed costs. Moreover, additional company stores and sales offices are not needed for sales of Plaintiff's Product in view of the sales quantity of Defendant's Product and do not have to be added up as deduction item as described above.

## [xi] Insurance fees

The insurance fees are costs of business fire insurance, PL insurance, and the like. It is not generated as additional costs in increased production/sales of Plaintiff's Product in the same number in view of the sales quantity of Defendant's Product as described above.

# [xii] Maintenance costs

The maintenance costs are maintenance/running costs of the system, repair costs of the building, and the like. They are maintenance costs of the sales system of Plaintiff and are fixed costs not influencing the manufacture/sales of Plaintiff's Product.

#### [xiii] Communication cost

The communication cost is a cost related to business mobile phones and the like distributed to Plaintiff's employees and the like and is a fixed cost. In view of the sales quantity of Defendant's Product, the number of employees does not have to be particularly increased in the increased production/sales of Plaintiff's Product in the same number and is not generated as additional cost as described above.

[xiv] Light and water expenses

The light and water expenses are literally expenses related to light and water and are fixed costs.

[xv] Supplies expenses

The supplies expenses are expenses related to general supplies and are fixed costs. [xvi] Office supplies expenses

The office supplies expenses are expenses related particularly to office supplies in the supplies expenses and are fixed costs. Moreover, in view of the sales quantity of Defendant's Product, the quantity of office supplies does not have to be particularly increased in the increased production/sales of Plaintiff's Product in the same number and is not generated as additional cost as described above.

[xvii] Books and subscription cost

The books and subscription costs are costs related to newspapers, subscription of specialized books (for the purpose of internal use), and the like and are fixed costs. [xviii] Meeting costs

The meeting costs include rental fees of venues for events such as management policy presentation, lunch fees at the meetings, and the like and are fixed costs.

[xix] Social expenses

The social expenses are so-called reception/social expenses and are fixed costs.

[xx] Membership fees

The membership fees are annual fees for the association with which Plaintiff is affiliated (Japan Intellectual Property Association and the like, for example) and are fixed costs.

[xxi] Donation

The donation is a cost donated by Plaintiff as the company and is a fixed cost.

[xxii] Commissions

The commissions include bank transfer fees, intellectual property filing fees, consignment fees (call center), and the like and are not increased in a relation with sales of Plaintiff's Product.

[xxiii] Remuneration

The remuneration includes the remuneration and consultant fees to lawyers, patent attorneys, certified tax accounts, and the like and is not related to the increased production/sales of Plaintiff's Product.

[xxiv] Miscellaneous expenses/losses

The miscellaneous expenses are disposal costs of industrial wastes and the like and are fixed costs. Moreover, the miscellaneous losses are losses not applicable to any other account titles among those belonging to nonoperating expenses, and it is obvious that they are items not related to the increased production/sales of Plaintiff's Product. [xxv] Corporation taxes/public charges

The corporation taxes are so-called corporation tax, corporation tax adjustment amount, and the like. As described above, in view of the sales quantity of Defendant's Product, they are not increased in the increased production/sales of Plaintiff's Product in the same number.

# [xxvi] Interest due

The interest due is interests related to debts of business funds. As described above, in view of the sales quantity of Defendant's Product, it is not increased in the increased production/sales of Plaintiff's Product in the same number.

[xxvii] Foreign exchange loss

The foreign exchange loss is literally loss on a balance sheet generated in the received amount or paid amount in the national currency due to fluctuation in the exchange rate in Plaintiff's debts and credits in foreign currency. It is not directly related to the increased production/sales of Plaintiff's Product and is not a deduction item.

[Allegation of Defendant]

- (1) Transferred number of Defendant's Product Approved.
- (2) Comparison between Plaintiff's Product and Defendant's Product
- A. Targeted product

The damage alleged by Plaintiff is related to Present Patent 2, and the comparison targets are not the whole of Plaintiff's Product and Defendant's Product but only bearing portions of each.

B. Selection of consumer

The bearing in Plaintiff's Product and Defendant's Product cannot be confirmed without disassembling each product and thus, a consumer does not select the product by the bearing. Thus, competitive products of Defendant's Product in the market are not Plaintiff's Product which is sold as high price goods, but are beauty rollers manufactured by other companies sold at the same price range as Defendant's Product. (3) Contribution rate

If the patent invention constitutes only a part of a product, the degree of contribution is considered when the invention is technically excellent and contributes to product selection by a consumer, and if such circumstances are not found, the ratio of the manufacturing cost of the portion applicable to the patent invention in the entire manufacturing cost is assumed to be the degree of contribution.

Defendant changed the bearing member upon this lawsuit, but consumers do not recognize the change and such change does not influence the sales situation of Defendant's Product.

Therefore, since Present Patent 2 does not contribute to the selection between Defendant's Product and Plaintiff's Product at all, the ratio of the manufacturing cost of the portion (bearing) applicable to Present Invention 2 in the manufacturing cost should be the degree of contribution.

(4) "Circumstances due to which sales would have been impossible"

Plaintiff has the following circumstances due to which Plaintiff could not have sold the quantity corresponding to the whole number transferred by Defendant.

A. Bearing member

The bearing is a member for supporting the shaft and causing it to make a smooth rotary motion and is an extremely basic and general-purpose member and thus, there are various well-known arts and products. There are a large number of bearing members which can be mounted on a housing by elastically deforming a lock claw similarly to Present Invention 2, and there are a large number of competitive products for the bearing used in Plaintiff's Product and thus, the basis for application of Article 102, paragraph (1) of the Patent Act is missing.

Moreover, the structure of the bearing is not obvious from the appearance in both Plaintiff's Product and Defendant's Product, and it cannot be confirmed without disassembling involving destruction. Thus, the bearing in use does not give any influence to the product selection by consumers.

The ratio of the manufacturing cost of the bearing in Defendant's Product in the manufacturing cost of the entire Defendant's Product is only 11.12%, and it is presumed that the ratio is substantially the same for Plaintiff's Product. Thus, the bearing is similar to an accessory in a relation with the entire Plaintiff's Product.

As described above, Plaintiff cannot make a claim for compensation for damage on the basis of Article 102, paragraph (1) of the Patent Act.

# B. Entire Defendant's product

(A) Sales efforts of Defendant

Plaintiff sells Plaintiff's Product at Plaintiff's stores, mail-order web sites on the Internet, major mail-order companies, department stores, major electronics retail stores, major online malls, and esthetic salons. On the other hand, Defendant prompted long-time customers to deal with Defendant's Product and wholesaled the product. None of the customers of the wholesale by Defendant handled Plaintiff's Product, and some of the customers of the wholesale requested delivery of Plaintiff's Product from Plaintiff but since the request was rejected, they started delivery of Defendant's Product.

### (B) Performances of Defendant's Product and Plaintiff's Product

The marked feature of Plaintiff's Product is the point that the microcurrent generated by a solar panel provided in the product influences the human body through the roller. The consumer purchased Plaintiff's Product at a high price in view of the aforementioned features of Plaintiff's Product. On the other hand, Defendant's Product does not generate the microcurrent, and a consumer who expects the effect would not choose Defendant's Product.

(C) Non-identicality of the market

Plaintiff's Product is displayed/sold with Plaintiff's other products, all of which are expensive in places as listed in the aforementioned A. And the sales price of Plaintiff's Product is basically 28,994 yen. On the other hand, Defendant's Product is sold at a mass sale shop "Don Quijote" which is famous for low-price sales and at small variety shops with other companies' product in different fields. And the sales price of Defendant's Product is basically 2,980 yen or 4,980 yen and is even sold at a discounted price in some cases.

As described above, Plaintiff's Product and Defendant's Product do not share identicality of the market.

# C. Summary

As described above, Plaintiff has the circumstances due to which the whole transferred number sold by Defendant could not have been sold, and the ratio is 90% or more of the number having been currently sold by Defendant and thus, Plaintiff's claim for compensation for damage is not approved.

# (5) Costs to be deducted

Plaintiff launched 18 brands and sells a large number of products, Plaintiff's Product is a top seller in Plaintiff which occupies approximately 20% of the sales of all the products of Plaintiff. And Plaintiff consigns manufacture of Plaintiff's Product to a third party, but order of manufacture, delivery to the warehouse, management in the warehouse, shipment to each sales shop, and the like are all managed at the head shop of Plaintiff and it is natural that additional costs such as labor cost and the like are incurred for additional sales of approximately 17,086 units of product per month.

Therefore, in view of such sales situation of the product at Plaintiff, in calculation

of the profit per unit according to Present Patent 2, all the costs of Plaintiff ([i] to [xxvii] in the aforementioned column of allegation of Plaintiff) need to be deducted in accordance with the ratio of Plaintiff's Product in the sales of all the products of Plaintiff.

#### No. 4 Judgment of this court

### 1. Order of examination

As described in the aforementioned No. 2, 2, right or wrong of exercise of rights on the basis of Present Patent 2 (whether it belongs to the technical scope in the issue (1), the invalidation reason in the issue (2)) is first examined in this case, and if they are approved, examination is proceeded with for the calculation of damage (issue (5)), while if not, examination is made for right or wrong of exercise of rights on the basis of Present Patent 1 (issues (3) and (4)).

# 2. Significance of Present Invention 2

The technical structure of Present Invention 2 is as described in the aforementioned No. 2, 1(5)B, and according to Present Description 2, the significance is found to be as follows.

Present Invention 2 relates to a beauty instrument which gives an esthetic action such as a skin beautifying effect to a user by rotationally moving the rotary body on the body (paragraph [0001] of Present Description 2). In the conventional beauty instruments, there was proposed the structure in which a bifurcated portion is provided at a distal end of a handle, for example, the rotary body is supported at the distal end, and the esthetic effect such as the skin beautifying effect is given to the body by pressing each of the rotary bodies to the skin of the body and by rotating it, but the support structure of the shaft and the like for supporting the rotary body has not been disclosed.

Thus, the object of Present Invention 2 is to provide the beauty instrument which can rotatably support the rotary body with respect to the support shaft (paragraphs [0002] to [0004] thereof).

In order to achieve this object, Present Invention 2 includes a support shaft retained/fixed on a base and a rotary body rotatably supported at a distal end of the support shaft so that the esthetic action is given to the body by the rotary body (paragraph [0005] thereof). Moreover, the rotary body has a hole only on a base end side, the rotary body is supported by the support shaft through a bearing member in a non-penetrating state where the distal end of the support shaft is located inside thereof, the bearing member is retained by the support shaft at the distal end which is on a side

opposite to the hole of the rotary body, a lock claw capable of elastic deformation protrudes from the bearing member, the bearing member has a flange portion on the base end side of the lock claw, the lock claw has a slanted surface whose distance to a rotation center of the rotary body in the bearing member becomes smaller as it goes toward the distal end side, the rotary body has a stepped portion capable of being engaged with the lock claw on an inner periphery, and the stepped portion is locked on the base end side of the lock claw and is located between the lock claw and the flange portion (paragraph [0006] thereof). In this structure, the bearing member is made of a synthetic resin (paragraph [0007] thereof).

As described above, according to Present Invention 2, the effect that the rotary body can be rotatably supported with respect to the support shaft is exerted (paragraph [0008] thereof).

- 3. Issue (1) (whether Defendant's Products 1 to 9 belong to the technical scope of Present Invention 2).
- (1) Constituent feature F

A. In the constituent feature F of Present Invention 2, Defendant alleges that the structure of the rotary body that is "rotatably supported on the distal end side of the support shaft" is a structure in which a cap material located inside the rotary body and in contact with an end surface of the distal end portion of the support shaft is indispensable in Present Invention 2 and thus, the constituent feature F is limited to the one in which the rotary body is literally supported on the distal end side of the support shaft, but the rolling portion of Defendant's Product is supported not on the end surface of the distal end portion of the support shaft (Exhibits Otsu 1 to 7-3a) but within a range having a certain width in an axial direction on the distal end side (Exhibits Otsu 1 to 7-3b) and thus, the constituent feature F is not fulfilled.

However, the cap material is not specified in claims of Present Invention 2, and Present Description 2 does not have any description suggesting that this is an indispensable structure and thus, in view of the object of Present Invention 2 (paragraphs [0002], [0004] of Present Description 2) to propose a new support structure such as a shaft for supporting the rotary body in a beauty instrument and the like, it is reasonably interpreted that the constituent feature F expresses the positional relationship between the rotary body and the support shaft that the support shaft is retained/fixed on the base end side and rotatably supports the rotary body on the distal end side and does not mean that the support shaft supports the rotary body on the end surface of the distal end portion in a form in contact with the inner peripheral surface of the rotary body.

B. According to the structures f and g of Defendant's Products 1 to 9 in the aforementioned No. 2, 1(7)B, although there is a gap on the distal end side of the support shaft in Defendant's Products 1 to 9, the rolling portion is rotatably supported by the support shaft through the fitting and the bearing member located in the middle of the support shaft, and it is found as the positional relationship thereof that, since the rolling portion is on the distal end side of the support shaft (Exhibits Otsu 1 to 7), it is found that the structure f of Defendant's Products 1 to 9 fulfills the constituent feature F.

(2) Constituent feature G

A. In the constituent feature G of Present Invention 2, with regard to the structure that "the rotary body has a hole only on the base end side", Defendant alleges that the cylindrical ring and the cylindrical member inside the rolling portion should have a "hole only on the base end side", but these members have holes also on the distal end side, which does not fulfill the constituent feature G.

However, in Defendant's Product, the rolling portion, the cylindrical ring, and the cylindrical member fall under the "rotary body" as a whole, and the constituent feature G is interpreted to specify that the rotary body as the whole body should have a hole only on the base end side, and by comprehensively examining the description in Present Description 2, it is not interpreted to specify that even components inside the rotary body for rotatably supporting the rotary body should have the "hole only on the base end side".

B. According to the structure g of Defendant's Products 1 to 9, the rolling portion has an opening only on the base end side, and the distal end of the support shaft in the hollow of the rolling portion does not penetrate the rolling portion; that is, the rolling portion does not have a hole on the distal end side and thus, fulfills the constituent feature G.

(3) Constituent feature L

A. Defendant alleges that the structure in the constituent feature L of Present Invention 2 that "the rotary body has a stepped portion capable of being engaged with the lock claw on an inner periphery" is limited to the structure in which the stepped portion is formed on the core material itself of the rotary body, and it is not intended to constitute the stepped portion by a member separate from the core material of the rotary body.

However, the description of Present Description 2 also intends that the rotary body is constituted by a combination of a plurality of members, and the wording of the constituent feature L only describes that the stepped portion is provided on the inner periphery of the rotary body and thus, formation of the step on the inner periphery of the rotary body by combining a plurality of members and constitution of the lock claw of the bearing member capable of being engaged with that are interpreted to be within the range of the wording, and according to Exhibits Otsu 22 and Otsu 23, it cannot be interpreted that Plaintiff limited the structure of the stepped portion to the embodiment illustrated in Figure 4 of Present Description 2.

B. According to the structures g and l of Defendant's Products 1 to 9, there is no step on the inner periphery of the hollow material in the rolling portion of Defendant's Products 1 to 9, but it is found that the lock claw of the bearing member is locked by fitting the cylindrical fitting with a step on the inner diameter and the ring-shaped fitting in the hollow of the rolling portion and thus, it can be considered to have the stepped portion capable of engagement.

Therefore, it is found that the structure l of Defendant's Products 1 to 9 fulfills the constituent feature L.

(4) Summary

Since there is no dispute on fulfillment of the constituent features other than the point examined above, it is found that Defendant's Products 1 to 9 belong to the technical scope of Present Invention 2.

4. Issue (2) (whether Present Patent 2 should be invalidated through a trial for patent invalidation)

(omitted)

(2) Lack of inventive step with Exhibit Otsu 45 as primarily cited reference

A. Different Features

The Exhibit Otsu 45 invention relates to a magnet beauty roller as described in the aforementioned (1)D(A) and is different as compared with Present Invention 2 in the following points.

(A) Different Feature 1 (non-disputable)

In Present Invention 2, the support shaft is retained by/fixed on the base end of the handle. On the other hand, in the Exhibit Otsu 45 invention, the small diameter portion is integrally formed with the grip portion and is not retained by/fixed to the grip portion.

(B) Different Feature 2 (non-disputable)

In Present Invention 2, the rotary body is rotatably supported on the distal end side

of the support shaft. On the other hand, in the Exhibit Otsu 45 invention, the roller portion is rotatably supported by the portion other than the distal end side of the small diameter portion.

### (C) Different Feature 3

In Present Invention 2, the bearing member is retained by the support shaft at the distal end which is on a side opposite to the hole of the rotary body. On the other hand, in the Exhibit Otsu 45 invention, presence/absence of specific retention of the bearing is not known.

#### (D) Different Feature 4

In Present Invention 2, the lock claw capable of elastic deformation protrudes from the bearing member, the bearing member has a flange portion on the base end side of the lock claw, and the lock claw has a slanted surface whose distance to a rotation center of the rotary body in the bearing member becomes smaller as it goes toward the distal end side. On the other hand, the bearing in the Exhibit Otsu 45 invention has a cylindrical outer peripheral surface.

(E) Different Feature 5

In Present Invention 2, the rotary body has a stepped portion capable of being engaged with the lock claw on the inner periphery, the stepped portion is locked on the base end side of the lock claw, and is located between the lock claw and the flange portion. On the other hand, in the Exhibit Otsu 45 invention, the inner periphery of the large diameter hole 54 of the roller portion has a cylindrical shape.

B. How easily structures according to Different Features 3 to 5 could have been conceived of

# (A) Different Feature 3

In the Exhibit Otsu 45 invention, replacement of the bearing with a sliding bearing made of plastic is assumed (paragraph [0014] of the Exhibit Otsu 45). However, there is no description in the Exhibit Otsu 45 on whether retention is needed or not at this time and it is unknown, and even if it is needed, the position for retention is interpreted not to be determined unambiguously for a person ordinarily skilled in the art.

Therefore, the structure according to Different Feature 3 cannot be considered to have been easily conceived of by a person ordinarily skilled in the art.

# (B) Different Features 4 and 5

It is interpreted that the bearing of the Exhibit Otsu 45 invention has a cylindrical shape having an outer peripheral surface with a certain length in an axial direction and when it is inserted into the large diameter portion of the roller portion which similarly has a certain length in the axial direction and has a cylindrical shape, it rotatably

supports the roller portion on a contact surface (paragraphs [0014], [0018], and [0020] thereof). When such bearing is replaced with the sliding bearing made of plastic, in view of the aforementioned shape of the large diameter portion of the roller portion, it is reasonable to interpret that the sliding bearing made of plastic also has a cylindrical outer peripheral surface having a certain length in the axial direction so as to be brought into contact therewith and supports the roller portion on the outer peripheral surface.

However, the bearing disclosed in the Exhibit Otsu 46 has an elastic lock piece and a flange for sandwiching a plate material between them and for supporting it, the outer peripheral surface is not cylindrical, and a length in the axial direction is relatively small. Similarly, the bearing disclosed in the Exhibit Otsu 47 has a flange portion having an annular groove to be fitted with the plate-shaped mounting member and a tongue piece portion and the flange portion for sandwiching the mounting member between them and for supporting it, the outer peripheral surface is not cylindrical, and the length in the axial direction is relatively small.

Therefore, the bearings disclosed in the Exhibits Otsu 46 and Otsu 47 do not have a shape capable of being attached to the large diameter portion of the Exhibit Otsu 45 invention and supporting the rolling portion, and the problem, the object, the application, and the function are different, there is no motivation to be used as a bearing in the Exhibit Otsu 45 invention.

C. Summary

Therefore, even without the need of examination of the remaining different features, Present Invention 2 could not have been easily made by a person ordinarily skilled in the art by combining the arts disclosed in the Exhibit Otsu 44 invention and the Exhibit Otsu 46 or by combining the arts disclosed in the Exhibit Otsu 44 invention and the Exhibit Otsu 47 with the Exhibit Otsu 45 invention as the primary invention.

(3) Conclusion

According to the examination as above, it cannot not be found that there are reasons that the right cannot be exercised in pursuant to Article 104-3, paragraph (1) of the Patent Act for Present Patent 2.

5. Issue (5) (damages of Plaintiff)

(1) Plaintiff's Product and Defendant's Product

According to the examination in the aforementioned 3 and 4, Defendant's transfer of Defendant's Product falls under infringement of Present Patent Right 2 and thus, as described in the aforementioned 1, issue (5) will be examined.

A. Sales of Plaintiff's Product

Plaintiff has sold the beauty instrument with the name "ReFa Carat" (Hereinafter,

referred to as "Plaintiff's Product") as the worked article of Present Patent Right 2 since February of 2009 (Exhibits Ko 23, 24, entire import of oral argument).

Plaintiff's Product is a beauty instrument in which a surface of a roller is applied with a platinum coating and which has a skin firming effect by picking up the skin by rotation of the roller and is characterized by generation of a microcurrent by a mounted solar panel (Exhibit Ko 23).

Plaintiff's Product is sold at Plaintiff's shops, major mail-order companies, department stores, and major electronics retail stores at 23,800 yen (before tax) which is a desirable retail price or a price close to that (Exhibits Ko 23, Otsu 94 to 108).

Plaintiff has sold (omitted) units of Plaintiff's Product during the period from December 4, 2015 (date of registration of Present Patent 2) to May 8, 2017, when Defendant changed the design of the bearing in Defendant's Product (Exhibit Otsu 84, entire import of oral argument) and sold even in the month with the smallest quantity of (omitted) units (January of 2016) and in the month with the largest quantity of (omitted) units (December of 2016) (Exhibit Ko 38).

# B. Transfer of Defendant's Product

Defendant's Product is wholesaled mainly at the discount stores and variety shops, and many have price indication of 15,000 yen (without tax) according to the document prepared by Defendant (Exhibits Ko 7 to 13), but is actually sold at the price of approximately 3,000 to 5,000 yen (Exhibits Otsu 85 to 93).

Defendant's Product is described as a Germa mirror ball using particles of germanium, but it does not have a mechanism for generating microcurrents as in Plaintiff's Product (Exhibits Ko 7 to 13).

The transferred number of Defendant's Product during the period from December 4, 2015 to May 8, 2017 is as follows (entire import of oral argument), and Defendant has transferred 351,724 units in total and approximately 17,600 units on a monthly average of Defendant's Product.

Defendant's Product 1 (DR-250A)	71,077 units
Defendant's Product 2 (DR-250C)	141,135 units
Defendant's Product 3 (FS-800)	15,114 units
Defendant's Product 4 (DR-250P)	82,584 units
Defendant's Product 5 (DR-250G)	18,526 units
Defendant's Product 6 (DR-250SW)	8,263 units
Defendant's Product 7 (JDR-300)	416 units
Defendant's Product 8 (DR-260BK)	6,088 units
Defendant's Product 9 (DR-260C)	8,521 units

- (2) Estimation of amount of damages on the basis of Article 102, paragraph (1) of the Patent Act
- A. Profit per unit from Plaintiff's Product
- (a) The sales quantity of Plaintiff Product from October of 2015 to September of 2017 is (omitted) units, the sales amount is (omitted) yen in total, and the manufacturing cost is (omitted) yen (Exhibits Ko 38, 39).
- (b) The sales of all the products of Plaintiff during the aforementioned period is (omitted) in total (Exhibit Ko 40), and the sales ratio of Plaintiff's Product to all the products of Plaintiff is (omitted) ((omitted) ÷ (omitted) ≈ (omitted)).

The costs which should be deducted other than the manufacturing cost during the aforementioned period are as follows. These amounts are obtained by multiplying the total amount of each of the costs incurred for Plaintiff in the aforementioned period by the sales ratio of Plaintiff's Product (Exhibit Ko 40).

- [i] Sales commission: (omitted)
- [ii] Sales promotion cost: (omitted)
- [iii] Point reserve: (omitted)
- [iv] Sample cost: (omitted)
- [v] Advertising cost: (omitted)
- [vi] Packing and freight cost: (omitted)
- [vii] Complaint handling cost: (omitted)
- [viii] Product guarantee reserve transferred: (omitted)
- [ix] Marketing research cost: (omitted)

Total amount of [i] to [ix]: (omitted)

- (a) The profit amount of Plaintiff's Product is (omitted) yen obtained by deducting the total amount of the manufacturing cost and each of the aforementioned costs from the sales of Plaintiff's Product ((omitted) (omitted) (omitted) = (omitted) yen). And the amount (omitted) yen obtained by dividing this by the sales quantity of (omitted) units of Plaintiff's Product during the aforementioned period is the amount of profit per unit from Plaintiff's Product ((omitted) ÷ (omitted) ≈ (omitted)).
- B. Ability of Plaintiff to work

As described in the aforementioned (1)A, Plaintiff sold Plaintiff's Product in the quantity within a range from approximately (omitted) units to approximately (omitted) units per month and thus, even if the transferred number of Defendant's Product in the number of approximately 17,600 units per month is added to Plaintiff's Product, it is reasonable to admit that Plaintiff had the ability to work this.

C. Costs to be deducted

The "amount of profit per unit" from Plaintiff's Product to be the basis for calculation of the damage of Plaintiff is the amount acquired by dividing the amount obtained by deducting, from the sales amount of Plaintiff's Product in a quantity (transferred number of Defendant's Product in the same period) which could have been additionally sold on the Plaintiff's side if there had not been Defendant's infringement on Plaintiff's Present Patent 2, the costs which would have been additionally required for additional sales of Plaintiff's Product in the quantity by the quantity and thus, the cost to be deducted is considered to be the costs required for increased production and sales of Plaintiff's Product for the quantity (variable costs and individual fixed costs required for Plaintiff's Product).

If the quantity to be increased in production is large, not only the variable costs and the individual fixed costs but also general fixed costs might be additionally needed, but as in the aforementioned B, it is found that Plaintiff was prepared to increase production of Plaintiff's Product to approximately the transferred number of Defendant's Product and thus, it is hard to assume that the general fixed costs would be needed as additional costs. Moreover, under the distribution, storage, sales conditions at Plaintiff, even if the production increased as above, it is found that costs for additional distribution/storage and the labor costs for sales would not be incurred (Exhibits Ko 44, 45).

Then, the additional costs to be deducted are cost items in [i] to [ix] in the aforementioned A(b), and all of them should be deducted in accordance with the ratio of the sales of Plaintiff's Product in the total sales of Plaintiff from the sales of Plaintiff's Product as variable costs or individual costs directly required for manufacture/sales of Plaintiff's Product. On the other hand, all the remaining costs alleged by Defendant are costs considered to be general fixed costs or individual fixed costs related to other products other than Plaintiff's Product and thus, they are not to be deducted.

D. Contribution rate

Present Invention 2 relates to a beauty instrument but not to the property, structure, and the like of the roller generating the esthetic effect and relates to the bearing which rotatably supports the roller.

Defendant alleges that the ratio of the bearing portion in the manufacturing cost is approximately 1.12% and this should be regarded as the contribution rate of Present Invention 2, and the damage should be calculated within that limitation.

In this point, even if the art of the patent is used for a part of the product or if a large number of patent arts are used for one product, as long as the product is found to belong to the technical scope of the invention, injunction of sales and the like of the entire product can be ordered on the basis of one patent, but if the profit by sales of the entire product is used as the base for calculation, an amount exceeding the range which should have been approved might be calculated. Thus, the degree of contribution of the patent to the sales of the product (contribution rate) needs to be considered appropriately, and the range of compensation for damage should be defined appropriately.

Present Invention 2 relates to the bearing of the roller in the beauty instrument, and contribution of the patent to the sales of the product should be considered for the contribution rate as described above and thus, the contribution rate is not mechanically defined by the ratio of costs of the bearing portion in the entire product or the price itself of the bearing portion. The bearing should be considered to have a certain significance in the entire product since it maintains the roller so that the roller can be rotated smoothly, but the bearing is a part of the beauty instrument and not seen by consumers, and it is interpreted that there was an alternative art of the bearing which supports the roller so that the roller can be smoothly rotated as can be seen in the design change by Defendant after institution of this lawsuit. Therefore, the contribution degree of the use of the art of Present Invention 2 to the sales of Defendant's Product is not so high, and by comprehensively considering the aforementioned circumstances, it is reasonable to find that the contribution rate is 10%.

E. "Circumstances due to which sales would have been impossible"

The degree of contribution to the sales of the product is considered from the property of the invention itself in the aforementioned D, but apart from this, if Defendant's Product was not sold due to validity of Present Patent 2, it should be estimated that Plaintiff's Product in the same number could have been sold on the Plaintiff's side, and whether such circumstances which overturn this exist or not needs be examined.

As found as above, Plaintiff's Product is sold at the price of not lower than 20,000 yen at department stores and the like and is positioned as a high-price product or an expensive product having the function of generating a microcurrent, while Defendant's Product is sold at discount stores and the like and is an inexpensive product without the function of generating the microcurrent.

Then, in the case where a consumer who wanted to purchase Plaintiff's Product sees Defendant's Product and purchases it since the product having a similar function is available inexpensively, it is likely that the demand would have gone toward Plaintiff's Product if there had not been sales of Defendant's Product, but unlike Plaintiff's Product positioned as an expensive product and having a featured function such as microcurrent, in the case where a consumer recognizes that Defendant's Product is sold at a discount store and the like and is an inexpensive product not having the aforementioned function and still purchased Defendant's Product, the possibility that the demand goes toward Plaintiff's Product is considered to be low even if there had not been sales of Defendant's Product.

By considering the aforementioned points and particularly the large difference in the price between Plaintiff's Product and Defendant's Product, it is reasonable to consider that there were circumstances due to which Plaintiff could not have sold 50% of the transferred number of Defendant's Product.

F. Calculation of amount of damages

According to the examination in the aforementioned A to E, with regard to the amount of damages of Plaintiff pursuant to Article 102, paragraph (1) of the Patent Act, 50% of the transferred number of 351,724 units of Defendant's Product is deducted due to presence of the circumstances due to which sales would have been impossible, and this is multiplied by the amount of profit per unit from Plaintiff's Product; that is, (omitted) yen and the contribution rate 10% of Present Patent 2, which results in (omitted) yen.

The lawyers' fee in considerable causal relations with this is reasonably found to be (omitted) 0,000 yen.

- 6. Conclusion
- (1) Defendant alleges that the structure of the bearing of Defendant's Product was changed, but in this lawsuit, fulfillment of the constituent feature of Defendant's Product before the design change is disputed, and invalidation of Present Patent 2 is also alleged and thus, there should be considered to be a concern of manufacture, sales, and the like of Defendant's Product. Thus, the need of injunction is approved, and the same applies to disposal of Defendant's Product.
- (2) Plaintiff's claim has grounds with limitation that the claim for payment of the money of (omitted) yen and at the rate of 5% per annum for (omitted) yen from June 15, 2016, for (omitted) yen from August 26, 2017, and for (omitted) yen from November 17 of the same year until completion of each of the payments, and the remaining has no grounds.
- (3) The declaration of provisional execution for the clauses 1 and 2 of the main text is not reasonable and this is not to be added.
- (4) Thus, judgment shall be rendered as in the main text.

Osaka District Court, 21st Civil Division

Presiding judge:

TANI Yuko

Judge:

NOGAMI Seiichi

Judge:

SHIMAMURA Yoko

### List of Defendant's products

1. Beauty instrument

Product name: "Germa Mirror Ball Beauty Roller Shine" Product No. "DR-250A"

2. Beauty instrument

Product name: "Germa Mirror Ball Beauty Roller Shine" Product No. "DR-250C"

3. Beauty instrument

Product name: "Premium Germa Roller Bellspiani Premium Germa Roller" Product No. "FS-800"

4. Beauty instrument

Product name: "Germa Mirror Ball Beauty Roller Shine" Product No. "DR-250P"

5. Beauty instrument

Product name: "Germa Mirror Ball Beauty Roller Antares" Product No. "DR-250G"

# 6. Beauty instrument

Product name: "Mirror Ball Beauty Roller Antares" Product No. "DR-250SW"

7. Beauty instrument

Product name: "Germa Mirror Ball Beauty Roller Spica 24k" Product No. "JDR-300"

# 8. Beauty instrument

Product name: "Premium Germa Roller Wezen" Product No. "DR-260BK"

# 9. Beauty instrument

Product name: "Premium Germa Roller Charme"

Product No. "DR-260C"