

Date	April 26, 1972	Court	Tokyo High Court
Case number	1966 (Gyo-Ke) 175		
<p>– A case in which, with respect to an invention titled "progression stop device for an agricultural towing vehicle," the court found that the presentation by the eldest son of the inventor of said invention of a cultivator in which said invention is worked at an exhibition held prior to filing a patent application for said invention can be considered to have been made against the will of the inventor of the invention, and the court rescinded the JPO decision which dismissed the request for an appeal trial against the decision of refusal on the grounds that the JPO erred in the fact finding on the abovementioned point.</p>			

References: Article 4, paragraph (1) and Article 5, paragraph (2) of the former Patent Act (Act No. 96 of 1921) (Article 29, paragraph (1) and Article 30, paragraph (1) of the current Patent Act)

Number of related rights, etc.: Patent Application No. 1957-28919, Publication of Examined Patent Application No. 1964-713

#### Summary of the Judgment

The plaintiff filed a patent application for an invention titled "progression stop device for an agricultural towing vehicle" ("Claimed Invention"), but received an examiner's decision of refusal. Therefore, the plaintiff filed a request for an appeal trial against the examiner's decision of refusal (Appeal Trial Case of 1959 No. 895).

The JPO found as follows: A cultivator in which the Claimed Invention was worked was presented to and displayed at an exhibition held prior to the filing of the patent application for the Claimed Invention. This presentation to said exhibition was conducted by the eldest son of the plaintiff but can be found to have been conducted under the name of the company, for which the plaintiff serves as a representative, based on entrustment of the plaintiff. Based on this finding, the JPO determined that the Claimed Invention is one that had been publicly known in Japan prior to the filing of the patent application (Article 4, paragraph (1) of the former Patent Act) but is not one that has fallen under said paragraph against the will of the plaintiff (Article 5, paragraph (2) of the former Patent Act), and dismissed said request

In this judgment, the court made the following findings and determinations and rescinded the JPO decision on the grounds that it contains errors in the fact finding.

[i] The presentation of the relevant cultivator to said exhibition, in other words, the display of the Claimed Invention to the public was made by the eldest son of the plaintiff without notifying the plaintiff. The plaintiff was not at all intended to present the product in which the Claimed Invention was worked to the exhibition prior to the filing of the

patent application.

[ii] In its decision, the JPO ruled that, as the eldest son of the plaintiff presented the product based on entrustment from the company, for which the plaintiff serves as a representative, the plaintiff, who is the representative of said company, also individually approved this fact, and consequently, that the presentation to the abovementioned exhibition cannot be considered to have been conducted against the will of the plaintiff.

However, the plaintiff, who is the applicant, an individual, and the aforementioned company are separate entities, and it does not lead to the conclusion that receipt of entrustment from the aforementioned company immediately means receipt of entrustment from the plaintiff.

In addition, the plaintiff was not in the position of the representative director of the aforementioned company as of the time of the presentation to the exhibition.

[iii] There is no material sufficient to affirm that the plaintiff individually assumes the general duty of care to prevent his/her eldest son from presenting the product without notifying the plaintiff and it is not reasonable either to always determine that a relevant act cannot be considered to be "going against the will" of the plaintiff even if the plaintiff violates such duty of care.

Judgment rendered on April 26,1972

1966 (Gyo-Ke) 175

Indication of the parties is omitted

#### Main Text

The JPO decision rendered regarding Appeal Trial No. 1959-895 on September 21, 1966 shall be rescinded.

The defendant shall bear the court costs.

#### Facts

##### No. 1 Judicial decision sought by the parties

The counsel of the plaintiff sought a judgment to the same effect as the main text. On the other hand, the designated representative of the defendant sought a judgment to the effect that "The plaintiff's claim shall be dismissed. The plaintiff shall bear the court costs."

##### No. 2 Statement of claim

The counsel of the plaintiff stated as follows as the statement of claim in the principal action.

##### 1. JPO proceedings

The plaintiff filed a patent application for an invention titled "progression stop device for an agricultural towing vehicle" on November 20, 1957, but received an examiner's decision of refusal on March 13, 1959. Therefore, on April 14 of the same year, the plaintiff filed a request for an appeal trial against the examiner's decision of refusal. The JPO examined the case as Appeal Trial No. 1959-895, and conducted publication of the examined patent application on January 29, 1964. However, Sato Zoki Kaushiki Kaisha filed an opposition to the grant of a patent. As a result of this, on September 21, 1966, the JPO rendered a decision to the effect that "The request for the appeal trial in question is to be dismissed." A certified copy of the JPO decision was served to the plaintiff on November 2 of the same year.

##### 2. Essential points of the reasons for the JPO decision

Regarding the invention claimed in the patent application in question (the "Claimed Invention"), a cultivator in which the Claimed Invention was worked was presented to and displayed at the 8th Japan Agricultural Machinery Export Promotion Exhibition (hereinafter referred to as the "Exhibition"), which was held in Hibiya Park in Chiyoda-ku, Tokyo during the period from November 6 to 17, 1957, prior to the filing of the patent application in question (the "Patent Application"), under the auspices of the Ministry of International Trade and Industry and prefectural governments and in cooperation with the Japan Agricultural Machinery Industry Association, etc. However, this presentation was conducted by P, who is an employee of Takakita Noki Kaushiki Kaisha for which the demandant of the appeal trial (plaintiff) serves as a representative, under the name of said company based on entrustment

from the demandant of the appeal trial, who is the representative of said company. This presentation of the cultivator should be considered to have been conducted due to the carelessness, negligence, poor supervision, etc. of the demandant of the appeal trial, who is the representative of said company, and it cannot be recognized as having been conducted against the will of the demandant of the appeal trial. Therefore, in the end, the Claimed Invention is one that had been publicly known in Japan prior to the filing of the Patent Application, and it falls under Article 4, paragraph (1) of the old Patent Act (Act No. 96 of 1921; the same shall apply hereinafter; the "Old Patent Act"). It thus does not fulfill the conditions for patentability set forth in Article 1 of said Act.

(omitted)

#### Reasons

(Undisputed facts)

1. The parties in this case agree that the JPO proceedings and the essential points of the reasons for the JPO decision regarding this case are as alleged by the plaintiff.

(Regarding existence or absence of grounds for rescission of the JPO decision)

2. The JPO decision is an illegal one that contains an error in its finding of the following point, and it is inevitably rescinded. That is, although the parties agree that a cultivator, which is a product in which the Claimed Invention was worked, was presented to the Exhibition held prior to the filing of the Patent Application and was displayed to the public, according to the testimony of Witness P and the results of examination of the plaintiff, the presentation to the Exhibition (in other words, display of the Claimed Invention to the public) was conducted by P, who is the eldest son of the plaintiff, without notifying the plaintiff. However, there is no sufficient evidence to affect the finding of the fact that the plaintiff was not at all intended to present the product in which the Claimed Invention was worked to the Exhibition prior to the filing of the Patent Application.

In this regard, the JPO ruled that the presentation to the Exhibition by P was conducted based on entrustment from the aforementioned company, for which the plaintiff serves as a representative, and the designated representative of the defendant also alleges to the same effect. However, both the finding and allegation are exactly interpreted to mean that as P presented the product based on entrustment from said company, for which the plaintiff serves as a representative, the plaintiff, who is the representative of said company, also individually approved this fact, and consequently, that the presentation to the Exhibition cannot be considered to have been conducted against the will of the plaintiff. However, the plaintiff, who is the applicant, as an individual and the aforementioned company are separate entities, and it

is indisputable that receipt of entrustment from the aforementioned company does not immediately mean receipt of entrustment from the plaintiff. In addition, according to Exhibit Ko No. 3, whose establishment is undisputed, it is obvious that the plaintiff was not in the position of the representative director of the aforementioned company as of the time of the presentation to the Exhibition (the defendant alleges that the plaintiff's act of recognizing in the appeal trial proceedings that he/she was the representative director of said company but making an allegation opposite thereto in the principal action goes against the principle of estoppel; however, it is obvious that the rule of confession cannot be admitted in patent trials, where the principle of ex officio investigation is adopted; therefore, it should be said that there is no constraint on the parties changing their allegations about the facts they have admitted in the proceedings; in addition, even if one makes an allegation, which differs from an allegation he/she made in the trial proceedings, in an action against a JPO decision, whose procedures totally differ from the trial proceedings, it does not go against the principle of estoppel). Therefore, said allegation of the defendant should be considered to lack its presupposed fact. Moreover, in this case where no fact of entrustment can be found in this regard between the plaintiff and P, as found above, said finding and allegation must be said to be groundless. In addition, although the defendant alleges that the presentation to the Exhibition was conducted due to the plaintiff's carelessness, negligence, and poor supervision, there is no material sufficient to affirm that the plaintiff individually assumes the general duty of care to prevent P from presenting the product without notifying the plaintiff (it is indisputable in terms of the nature of the matter that such duty of care must exist as a premise in order to say that the plaintiff was careless or negligent or the plaintiff's supervision was inadequate). Furthermore, it is not reasonable either to always determine that a relevant act cannot be considered to be "going against the will" of a person if said person violates such duty of care. Incidentally, the designated representative of the defendant appears to have the following concern: if an invention which has become publicly known due to the carelessness or negligence of the inventor him/herself, like the invention in this case, and an invention which the inventor has not intended to keep secret from the beginning can easily become subject to the application of the provisions of Article 5, paragraph (2) of the Old Patent Act as an invention that has become publicly known "against the will" of the inventor based on a one-sided allegation that the inventor had not known the fact of the presentation of the invention, there will be many such inventors, one after another, and it will become impossible to prevent abuse of this provision. However, the premise of this concern, the act of determining that the Claimed Invention became publicly known due to the plaintiff's negligence, etc. prior to the filing of the Patent Application or that the plaintiff did not have the intention to keep the Claimed Invention secret from the beginning, is a groundless dogma, as instructed above. Arguing abuse of the

application of the aforementioned provision of law in relation to the Patent Application on the premise of such an erroneous fact must be said to be irrelevant.

(Conclusion)

3. As mentioned above, it can be said that there is a reason for the plaintiff's claim in the principal action seeking rescission of the JPO decision on the grounds that the JPO decision is illegal as alleged above. Therefore, the plaintiff's claim shall be upheld. For the court costs, the judgment shall be rendered in the form of the main text by applying Article 7 of the Administrative Case Litigation Act and Article 89 of the Code of Civil Procedure.

Tokyo High Court

Judge: MIYAKE Masao

Judge: DOIHARA Mitsukuni

Judge: TAKEI Jiro